WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

44, Ceres, 6835
50 Voortrekker St/ Str, Ceres, 6835
Suid Afrika/ South Africa
+27 23 316 1854
+27 23 316 1877
admin@witzenberg.gov.za
www.witzenberg.gov.za

Kennis word hiermee gegee in terme van Artikel 29 van die Plaaslike Regering: Munisipale Strukture Wet, 1998 (Wet 117 van 1998) soos gewysig, dat 'n **Gewone Raadsvergadering** van die Munisipaliteit Witzenberg **virtueel** (Microsoft Teams) gehou sal word op **Woensdag, 27 Mei 2020** om **09:00.**	Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended, that an **Ordinary Council Meeting** of the Witzenberg Municipality will be held virtually (Microsoft Teams) on **Wednesday, 27 May 2020** at **09:00**.

Raadslede en Amptenare / Councillors and officials		
Councillor TE Abrahams	Alderman K Adams (Deputy Executive Mayor)	Councillor P Daniels
Alderman TT Godden (Speaker)	Councillor P Heradien	Councillor MD Jacobs
Councillor D Kinnear	Councillor BC Klaasen (Executive Mayor)	Councillor GG Laban
Councillor C Lottering	Councillor M Mdala	Councillor TP Mgoboza
Councillor ZS Mzauziwa-Mdishwa	Councillor MJ Ndaba	Councillor N Phatsoane
Alderlady JT Phungula	Alderman JW Schuurman	Councillor EM Sidego
Councillor RJ Simpson	Alderman HJ Smit	Councillor D Swart
Councillor HF Visagie	Alderman JJ Visagie	
Municipal Manager	Acting Director: Finance	Director: Technical Services
Director: Corporate Services	Head: Internal Audit	Manager: Projects and Performance
Manager: Administration	IDP Manager	Manager: Legal Services
Acting Principal Administrative Officer	Committee Clerk	

ALDERMAN TT GODDEN
SPEAKER

20 Mei 2020

AGENDA

1. OPENING AND WELCOME

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any (3/1/2/1)

2.2 Confidentiality and Conflict of Interest Declaration (3/2/1)

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Matters raised by the Speaker (09/1/1)

3.2 Matters raised by the Executive Mayor (09/1/1)

3.3 Matters raised by the Municipal Manager

4. MINUTES

None

NOTED

5. MOTIONS AND NOTICE OF SUGGESTIONS

None

NOTED

6. INTERVIEWS WITH DELEGATIONS

None

NOTED

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7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

None

NOTED

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Amended Integrated Development Plan (IDP) 2017 to 2022: Proposed amendments for 2020/2021 (2/2/1)

Item 7.1.1 of the Executive Mayoral Committee meeting, still to be held, refers.

The Amended Integrated Development Plan for 2017 to 2022 with proposed amendments for 2020/2021 is attached as **annexure 8.1.1**.

The reason for the amendments is adopting the Witzenberg Spatial Development Framework as a core component of the Integrated Development Plan.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the proposed Amended 2017 to 2022 Integrated Development Plan (IDP) be adopted.

(b) that the Witzenberg Spatial Development Framework (SDF) be adopted as a core component of the 2017 to 2022 Integrated Development Plan.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that the proposed Amended 2017 to 2022 Integrated Development Plan (IDP) be adopted.

(b) that the Witzenberg Spatial Development Framework (SDF) be adopted as a core component of the 2017 to 2022 Integrated Development Plan.

8.1.2 Finance: Budget 2020/2021 (5/1/1/19)

The following documents are attached:

(a) Memorandum from the Acting Director: Finance, dated 19 May 2020: **Annexure 8.1.2(a)**.

(b) Budget for 2020/2021 – 2022/2023: **Annexure 8.1.2(b)**.

(c) Rates and tariffs 2020/2021: **Annexure 8.1.2(c)**.

(d) Budget related policies 2020/2021: **Annexure 8.1.2(d)**.

(e) Capital budget 2020/2021: **Annexure 8.1.2(e)**.

(f) MFMA Budget Circular: **Annexure 8.1.2(f)**.

(g) Provincial Treasury Circular, dated 19 March 2020: **Annexure 8.1.2(g)**.

(h) LG MTEC Integrated Planning and Budgeting Assessment: **Annexure 8.1.2(h)**.

(i) LG MTEC responses 2020/2021: **Annexure 8.1.2(i)**.

RECOMMENDED

(a) That the annual budget of Witzenberg Municipality for the financial year 2020/2021 and indicative for the two projected years 2021/2022 and 2022/2023, as set out in the schedules, be approved:

(i) Table A2: Budgeted Financial Performance (expenditure by standard classification).

(ii) Table A3: Budgeted Financial Performance (expenditure by municipal vote).

(iii) Table A4: Budgeted Financial Performance (revenue by source).

(iv) Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

(b) Property rates reflected in annexure 8.1.2(c) and any other municipal tax reflected in annexure 8.1.2(c) are imposed for the budget year 2020/2021.

(c) Tariffs and charges reflected in annexure 8.1.2(c) are approved for the budget year 2020/2021.

(d) The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2020/2021.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2020/2021.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2020:

(i) Tariff Policy
(ii) Property Rates Policy
(iii) Credit Control and Debt Collection Policy
(iv) Cash Management and Investment Policy
(v) Consumer Payment Incentive Policy
(vi) Municipal Supply Chain Management Policy
(vii) Petty Cash Policy
(viii) Indigent Policy
(ix) Budget Policy
(x) Budget Virement Policy
(xi) Asset Management Policy
(xii) Funding and Reserves Policy
(xiii) Cellular Telephone and Data Card Policy
(xiv) Borrowing Policy

(xv) Long Term Financial Plan Policy
(xvi) Transport, Travel and Subsistence Allowance
(xvii) Post-Employment Medical Aid Contributions
(xviii) Travel Management Policy
(xix) Cost containment Policy

(g) That Council takes cognisance of the budget circulars issued by National Treasury and Provincial Treasury.

(h) That Council takes cognisance of the LG MTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.

8.1.3 Finance: Draft Adjustment Budget 2019/2020 (5/1/1/18)

A memorandum from the Acting Director: Finance, dated 19 May 2020, is attached as **annexure 8.1.3**.

The Adjustment Budget schedules and report will follow.

RECOMMENDED

That the Adjustment Budget of Witzenberg Municipality for the financial year 2019/2020, as set out in the schedules, be approved:

(i) Table B2: Budgeted Financial Performance (expenditure by standard classification).

(ii) Table B3: Budgeted Financial Performance (expenditure by municipal vote).

(iii) Table B4: Budgeted Financial Performance (revenue by source).

(iv) Table B5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

8.1.4 Determination of upper limits of salaries, allowance and benefits of councillors according to Government Gazette no. 43246 (5/11/1)

The following documents are attached:

(a) Memorandum from Acting Director: Finance, dated 19 May 2020: **Annexure 8.1.4(a)**.

(b) Government Gazette no. 43246, dated 24 April 2020: **Annexure 8.1.4(b)**.

(c) Local Government Circular no. C15 of 2020, dated 29 April 2020: **Annexure 8.1.4(c)**.

(d) Detail of adjustment and councillor allowances: **Annexure 8.1.4(d)**.

RECOMMENDED

That in respect of the determination of upper limits of salaries, allowances and benefits of different members of municipal councils, discussed by Council at a Council meeting:

(a) That Council notes the content of Government Gazette no. 43246.

(b) That sufficient funds and budget are available to set the upward salary adjustment of councillors with effect from 1 July 2019.

(c) That Council approves the upward salary adjustment for Councillors as determined in Government Gazette no. 43246.

(d) That Council approves the cell phone allowances and data bundle for Councillors as determined in Government Gazette no. 43246.

(e) That the increase of total remuneration be approved retrospectively from 1 July 2019 subject to the concurrence of the Provincial Minister for Local Government.

(f) That the Provincial Minister for Local Government notes that Council haS not implemented the latest upward salary adjustment as yet.

(g) That Councillors submit to the municipality details of property, assets and beneficiaries to be covered by the special risk insurance.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Water situation: Tulbagh (16/2/1/1/1)

Item 7.2.1 of the Executive Mayoral Committee meeting, still to be held, refers.

A memorandum from the Director: Technical Services, dated 18 May 2020, is attached as **annexure 8.2.1**.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that notice be taken of the level 3 water restrictions which are in place at Tulbagh.

(ii) that notice be taken of the action plan in place to curb the drought.

(iii) that notice be taken that the remaining water in the dam is sufficient for two months' usage.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(i) that notice be taken of the level 3 water restrictions which are in place at Tulbagh.

(ii) that notice be taken of the action plan in place to curb the drought.

(iii) that notice be taken that the remaining water in the dam is sufficient for two months' usage.

8.2.2 Witzenberg Spatial Development Framework (WSDF) (15/04/P)

Item 7.2.2 of the Executive Mayoral Committee meeting, still to be held, refers.

A memorandum from the Senior Manager: Town Planning and Building Control, dated 19 May 2020, is attached as **annexure 8.2.2**.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

That the Witzenberg Spatial Development Framework, prepared by Built Environment Partnership, be approved and adopted in terms of Section 20 of the Spatial Planning and Land Use Management Act, 2013 and Section 5(1)(a) of the Witzenberg Land Use Planning By-Law, 2015.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

That the Witzenberg Spatial Development Framework, prepared by Built Environment Partnership, be approved and adopted in terms of Section 20 of the Spatial Planning and Land Use Management Act, 2013 and Section 5(1)(a) of the Witzenberg Land Use Planning By-Law, 2015.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

None

NOTED

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Personnel matters: COVID-19 Workplace Policy (4/7/P & 1/3/1/32)

Item 7.4.1 of the Executive Mayoral Committee meeting, still to be held, refers.

The proposed COVID-19 Workplace Policy for Witzenberg Municipality is attached as **annexure 8.4.1**.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the COVID-19 Workplace Policy for Witzenberg Municipality be accepted and approved.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the COVID-19 Workplace Policy for Witzenberg Municipality be accepted and approved.

8.4.2 Council matters: Generic rules for virtual meetings or sittings (3/1/2/P)

The following documents are attached:

(a) SALGA Circular 18/2020, dated 11 May 2020: **Annexure 8.4.2(a)**.
(b) Government Gazette no. 43291 of 7 May 2020: **Annexure 8.4.2(b)**.
(c) Rules for virtual meetings or sittings: **Annexure 8.4.2(c)**.

RECOMMENDED

For consideration.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies (3/R)

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

12. COUNCIL-IN-COMMITTEE

WITZENBERG
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AMENDED INTEGRATED DEVELOPMENT PLAN 2017 – 2022(2020 – 2021)

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GLOSSARY

BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
CDWs	Community Development Workers
CBD	Central Business District
CDI	City Development Index
CWDM	Cape Winelands District Municipality
CAPEX	Capital Expenditure
DM	District Municipality
DWAF	Department of Water Affairs and Forestry
DBSA	Development Bank of Southern Africa
DTI	Department of Trade and Industry
DPLG	Department of Provincial and Local Government
DEAT	Department of Environmental Affairs and Tourism
DLA	Department of Land Affairs
DSDF	District Spatial Development Framework
EE	Employment Equity
EL	External Loans
GDPR	Gross Domestic Product Regional
GDP	Gross Domestic Product
GCIS	Government Communications and Information Systems
HDI	Human Development Index
HR	Human Resources
IDP	Integrated Development Plan
IWMP	Integrated Waste Management Plan
IS	Information Systems
ICASA	Independent Communications Authority of South Africa
IT	Information Technology
JDA	Joint District Approach
KPAs	Key Performance Areas
KPIs	Key Performance Indicators
LED	Local Economic Development
MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MIG	Municipal Infrastructure Grant
MAYCO	Mayoral Committee
MTREF	Medium Term Revenue Expenditure Framework
MPCC	Multi-purpose Community Centre
NSDP	National Spatial Development Framework
NGO's	Non-governmental Organisation
OPEX	Operational Expenditure
PPP	Public Private Partnerships
PGDS	Provincial Growth and Development Strategy
PMS	Performance Management System
PTIP	Public Transport Improvement Plan
RDP	Reconstruction and Development Programme

RED Door	Real Economic Development Door
RSEP	Regional Socio-Economic Programme
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SDBIP	Service Delivery Budget Implementation Plan
SCM	Supply Chain Management
SMME	Small, Micro and Medium Enterprise
SALGA	South African Local Government Association
STR	Small Town Regeneration
UISP	Upgrade of Informal Settlements Programme
IUDF	Integrated Urban Development Framework
VIP	Vision Inspired Priorities
WCED	Western Cape Education Department

1 EXECUTIVE SUMMARY

A. EXECUTIVE MAYOR FOREWORD

Barnito Klaasen – Executive Mayor

B. MUNICIPAL MANAGER FOREWORD

David Nasson – Municipal Manager

2 INTRODUCTION

A. ABOUT THE IDP

I. EXECUTIVE SUMMARY

As Witzenberg Municipality we are proud to present this first review of our 4th Generation IDP as developed and drafted in consultation with the people of Witzenberg, provincial government and sector departments, local business forums and civil society stakeholders.

The new five-year IDP sets out the vision and mission of the municipality and clearly defines the strategies and plans to deliver our objectives of infrastructure-led growth, sustainable human settlements, financial sustainability, LED, social development, strategic partnerships and international relationships.

The development of a credible IDP allows the municipality to engage in continuous planning, monitoring and evaluation of all the sector plans that form part of this IDP. The review of the 4th Generation IDP is therefore set out in the following way:

A thorough **analysis of the spatial, economic and environmental issues** in conjunction with the community, partners in government and other stakeholders has highlighted two major issues that will influence our strategies and planning over the next five years. The increased growth of especially our more vulnerable population will be addressed through the implementation of **social housing programmes such as Vredebes** and the upgrade of the informal settlement in N'Duli. These projects require major bulk infrastructure upgrading that will take up the largest portion of our grant funding for the next five years. The analysis of our **Agri-economic environment** has also indicated a positive growth over the next five years and is it essential that the municipality provides sufficient bulk and network infrastructure to support investment and job creation opportunities. It is in this regard that we will work together with the Department of Rural Development and Land Reform as well as the Department of Agriculture to ensure the successful implementation of the Agri-Park.

Witzenberg has identified four key performance areas (KPAs) based on the objectives of local government as set out in Section 156 of the Constitution.

The **KPA: Essential Services** includes the objectives of sustainable provision and maintenance of basic services and provision for the needs of informal settlements. These objectives include programmes and projects that will especially focus on the provision of **bulk infrastructure for housing project**s. The provision of **bulk electricity by Eskom** has been identified as a major risk as existing Eskom bulk infrastructure currently cannot provide for the growth requirements of Witzenberg. Other programmes and projects include the development and implementation of a **waste management strategy** with the focus on decreasing waste through the implementation of a material recovery facility and drop-off points to replace the garden waste skips. This will be done with the support and cooperation of Witzenberg's twinning municipality, Essen, in Belgium. The ongoing drought in the Western Cape has also had an impact on Witzenberg and it is especially in **Tulbagh** where insufficient

water storage capacity has resulted in the implementation of water restrictions. Funding has been allocated by the Department of Water Affairs for the construction of a storage dam over the next three years.

The key performance area of **Governance** includes the objectives of institutional development and transformation, financial viability and the strengthening of partnerships.

Financial Viability is essential towards a sustainable and developmental local government. We will especially focus on **debt management** to address non-payment, but will also continue to support our vulnerable communities through our **indigent and pro-poor policies.**

Our third key performance area of **Communal Services** includes the objective of providing and maintaining facilities and the environment. The Witzenberg mountains are the source of four of the Western Cape's major rivers and programmes. The focus will be on the **conservation of our natural environment**, the eradication of aliens in our rivers and ongoing awareness programmes that will be implemented in conjunction with various role-players.

The **Socio-Economic Support Services** KPA focuses on the objectives to support the poor and to create an enabling environment to support the local economy. The construction of houses in Vredebes will **improve the living conditions of those in informal settlements, overcrowded houses and structures in backyards.** The Vredebes development will also make provision for "GAP" housing under the FLISP Programme of the Department of Human Settlements.

The continued support and implementation of the Agri-Park will create **opportunities for investment, job creation and land reform** as an enabling environment for local economic growth.

We also understand that this is merely a strategic document and that the major challenge will be implementing and realising our plans. The Council and administration commit to achieving the objectives as set out in this IDP and urge the people of Witzenberg to walk this exciting road with us towards improved livelihoods.

II. DEFINITION

Integrated Development Planning is the process through which the municipality prepares a strategic developmental plan, which is the principal strategic instrument guiding all planning, management, investment, develop-ment and implementation decisions, taking into account input from all stakeholders.

The IDP crosses departmental divisions by linking the physical, social, institutional and economic components of planning and development with management and development structure. It also integrates and aligns planning in different spheres of government and therefore enforces and upholds the spirit of cooperative governance in the public sector.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, healthcare, education, food, water and social security. Developmental local government can only be realised through integrated development planning and the compilation of a credible Integrated Development Plan (IDP).

III. LEGISLATION

Legal Framework for Integrated Development Planning

According to the Constitution of the Republic of South Africa, the local sphere of government is charged with the responsibility of implementing developmental local government as well as cooperative governance. The mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of municipal integrated development planning, namely:

- Ensure sustainable provision of services
- Promote social and economic development
- Promote a safe and healthy environment
- Give priority to the basic needs of communities
- Encourage involvement of communities

The first piece of legislation drafted to reflect the responsibility of the local sphere of government to implement integrated development planning by means of the compilation of an IDP document, was the Local Government Transition Act (1993) as amended by the Local Government Transition Second Amendment Act (1996). In this legislation the IDP was presented as the main planning instrument that guides all planning and decision-making process of the municipality.

The Local Government Transition Act was an interim piece of legislation applicable to the local sphere of government until the demarcation of municipalities was finalised, and the need then arose to enact legislation regulating integrated development planning on a more permanent basis.

In 2000 the Local Government: Municipal Systems Act 32 of 2000 (MSA) came into effect. Section 25(1) of the Act stipulates that each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which the annual budget must be based; and
- Is compatible with national and provincial development plans, and planning requirements binding on the municipality in terms of legislation.

The MSA is therefore the principal piece of legislation governing integrated development planning at municipal level. Municipalities are bound by it and must ensure its implementation. Other legislation and policy documents that

contain reference to integrated development planning are:

- The Constitution of the Republic of South Africa Act 108 of 1996;
- Reconstruction and Development Programme (RDP);
- Growth, Employment and Redistribution Strategy (GEAR);
- Tourism Act 72 of 1993;
- Development Facilitation Act 67 of 1995;
- National Water Act 36 of 1997;
- Housing Act 107 of 1997;
- White Paper on Local Government of 1998;
- Local Government: Municipal Structures Act 117 of 1998;
- National Environmental Management Act 107 of 1998;
- National Land and Transportation Transition Act 22 of 2000;
- Disaster Management Act 52 of 2002;
- White Paper on National Civil Aviation Policy (2005); and
- The Local Government: Municipal Finance Management Act 56 of 2003.

A further piece of legislation which has a tremendous impact on the IDP is the Municipal Finance Management Act (MFMA). Due to the coming into effect of this Act, the revision of the IDPs must be aligned with the stipulations and timeframes as set out in this Act.

Section 35 of the MSA states explicitly that an integrated development plan adopted by municipal council is the principal strategic planning instrument which:

- Guides and informs all planning and development, and all decision making with regard to planning, management and development in the municipality;
- Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's IDP and national or provincial legislation, in which case such legislation prevails; and
- Binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law.

Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

IV. PROCESS

Developing the Integrated Development Plan

In compliance with the Municipal's Systems Act as amended, the IDP Review and Budget Process Plan were adopted by full Council on 23 August 2018.

This IDP and Budget Process Plan inter alia seek to address the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Update of the 5-year Financial Plan; and
- Preparation and finalisation of the annual Budget in terms of the relevant legislation.

The situational analysis process started in November 2018 and was preceded by public meetings/jamborees in all the major towns of Witzenberg namely: Tulbagh, Wolseley, Ceres, N'Duli, Bella Vista, Prince Alfred's Hamlet and Op-die-Berg.

These Ward Committees greatly assisted the municipality in areas where the public meetings were attended poorly and with its aim and purpose to ensure broader public input into the municipal affairs.

All further actions in accordance with legislative and regulatory requirements, such as the final approval of the IDP, and the Medium Term Revenue and Expenditure Framework for the ensuing three year financial cycles, SDBIPs, the submission of all the relevant documentation to the appropriate authorities and the making public of these final documents will be executed.

Public Participation Process

Section 29 of the Municipal Systems Act, No 32 of 2000 states that –
29. (1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must –
(b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for—
(i) the local community to be consulted on its development needs and priorities;
(ii) the local community to participate in the drafting of the integrated development plan.

It provides an opportunity for all stakeholders with different needs and priorities to learn from each other and to negotiate and compromise around their viewpoints, leading to unification and consensus building.

The municipality adopted the 2019 – 2020 Reviewed IDP and Budget Process Plan on 23 August 2018. Amongst others, it includes appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, and other role-players in the IDP drafting process.

The diagram on the following page outlines the steps in developing the Reviewed Integrated Development Plan 2019 – 2020.

Public participation allows the municipality and the community to focus on itself, and develop a future-orientated vision and mission, proactively positioning itself and adapting and learning from an ever-changing environment.

Steps and events 2018/2019

Task and Outputs Development Plan	Engagements with Council, Administration and communities
1. PREPARATION: IDP, process and framework plans preparation and publishing of process plan – adoption	2020/21 3rd Reviewed IDP and Budget Draft Process plan – tabled 31 July 2019, and published for comment. 2020/21 3rd Reviewed IDP and Budget – adopted by Council 23rd 0f August 2019
2. **ANALYSIS:** Assessment of current levels of development based on existing facts and figures and community input (status quo)	Situational analysis – Snr Management – 4 and 18 November 2019 Senior Management Strategic sessions: 28 November 2019 Municipal Manager working session with management team approach to finalising our draft documents – 3 February 2020
3. STRATEGIES: Vision statement, development objectives and strategies, project identification and prioritisation based on stakeholder interaction	12 February 2020 was the due date for budget inputs by officials 12 February 2020 – Technical Integrated Municipal Engagement: Cape Winelands District Municipalities
4. PROGRAMMES, PROJECTS AND BUDGET: Project business plans including KPIs, outputs, target markets, location, tasks, time scales, funding sources, responsibilities and budget estimates	Administratively finalising the Draft IDP – March 2020; administratively finalising the Draft Budget – March 2020
5. INTEGRATION: 5-year capital programme; Integrated Spatial Development Framework; institutional plan; monitoring management system	Tabling of drafts at Council meeting – 25 March 2020; Community and Sectoral Comments was called via Newspaper notices, Social Media, and Messaging Groups; Provincial-SIME/LGMTEC-3/IDP Analysis –12 May 2020
6. APPROVAL: Consultation and submission	Working Papers on Final IDP, SDBIP and Budget distributed to Senior Management Adoption by Council of the 2020/21 3rd Reviewed/amended IDP and Budget –27 May 2020
7: MONITORING AND IMPLEMENTATION: Advertisement and publication; SDBIPs	Submit copies of the reviewed IDP, budget and SDBIP to the MEC, DPLG and Treasury. Publish a summary of reviewed IDP, budget and SDBIP in local newspaper

B. VISION, MISSION, OBJECTIVES

I. VISION AND MISSION

Our Vision

A municipality that cares for its community, creating growth and opportunities.

Our Mission

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services
- Promoting social and economic development
- The effective and efficient use of available resources
- Effective stakeholder and community participation

Value System

- Driven by the aspirations of our community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and officials in terms of the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

We subscribe to the principles of Batho Pele

- Consultation – Citizens should be consulted about service levels and quality when possible.
- Service standards – Citizens must be made aware of what to expect in terms of the level and quality of services.
- Access – Citizens should have equal access to the services to which they are entitled.
- Courtesy – Citizens should be treated with courtesy and consideration.
- Information – Citizens must receive full and accurate information about their services.
- Openness and transparency – Citizens should be informed about government departments' operational budgets and management structures.
- Redress – Citizens are entitled to an apology, explanation and remedial action if they are promised a standard of service that is not delivered.
- Value for money – Public services should be provided economically and efficiently.

II. STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2018/19					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

III. SWOT ANALYSIS

Strengths	Weaknesses
▪ Pro-poor policies (e.g. indigent; procurement) ▪ Close cooperation at management level ▪ Good dialogue with business and agricultural sectors ▪ Good water quality ▪ Effective international relations ▪ IGR structures and forums ▪ Budget control ▪ Natural environment ▪ Location for certain opportunities ▪ Good governance and good IGR ▪ Meeting constitutional obligations ▪ Visionary leadership ▪ Low vacancy rate in organisational structure ▪ Community engagements	▪ Financial limitations ▪ Town management ▪ Inadequate storm water systems in some areas ▪ Old asbestos water and sanitation networks ▪ Resealing and maintenance of roads ▪ Garden refuse – Tulbagh, Wolseley and N'Duli ▪ Law enforcement ▪ Ageing infrastructure ▪ Centralisation/town management ▪ High water losses ▪ Lack of integration policies, silo operations ▪ Office space ▪ Slow turnaround time ▪ Vulnerable IT (integration)
Opportunities	**Threats**
▪ Tourism potential ▪ Active ward committees and related activities ▪ Further international relations ▪ IGR and cooperation on transversal programmes ▪ Wolwekloof Learning Academy ▪ EPWP for poverty reduction ▪ Close working relationship with big business to enhance economic development ▪ Performance management system to monitor organisational performance not fully in place ▪ Pine forest ▪ Recycling and composting ▪ Renewable energy ▪ Reduce water losses/unaccounted to acceptable standards ▪ Available natural resources to stimulate economic growth ▪ Development of GIS ▪ Good communication and branding ▪ Marketing (internal and external) ▪ Expand international relationships ▪ Upgrade infrastructure ▪ LED pilot projects ▪ Land audit ▪ Natural environment ▪ Revenue enhancement ▪ Koekedouw Dam ▪ Rural wards – funding possibilities ▪ Improvement of client services ▪ Real law enforcement	▪ Seasonal agriculture-based labour shrinks revenue base ▪ Political volatility (fragile coalitions) ▪ High level unemployment/economically inactive people ▪ Increasing TB and HIV/Aids prevalence ▪ Vandalism, theft of municipal assets and property ▪ Legacy of decrepit infrastructure and insufficient infrastructure replacement programme ▪ Uncontrolled habitation in informal settlements ▪ Insufficient revenue base/lack of economic growth ▪ Equitable funding formula ▪ Insufficient land for graveyards ▪ Substance abuse can become a threat ▪ Farm eviction ▪ Tulbagh roads ▪ Service delivery in informal settlements ▪ Social ills – HIV and TB, crime, substance abuse ▪ Unemployment ▪ Migration / influx control ▪ Land availability ▪ Financial sustainability ▪ Cost of services ▪ Sustainability of low-cost housing ▪ Grant dependency ▪ Animal management ▪ NERSA legislation – non-compliance / compliance ▪ ESKOM / load shedding – incapacity to increase for demand from municipality

IV. GOVERNMENT ALIGNMENT

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDPs that not only comply with relevant legislation but also–

1. are owned by local leadership, municipal management and the community as the single strategic plan to direct resources within the municipality;
2. are driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;
3. contain a long-term development strategy that can guide investment across the municipal area;
4. provide an investment plan for national, provincial and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders; and
5. include local area or ward plans to localise the strategy and implementation of the IDP.

National Policy Directives

There is a clear hierarchical structure of national policy directives starting with the Medium Term Strategic Framework for 2009-2014 (MTSF) to the 2010 Cabinet Lekgotla's 12 National Outcomes.

Medium-term Strategic Framework for 2014-2019 (MTSF)

The Medium-term Strategic Framework (MTSF) is government's strategic plan for the 2014 – 2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the NDP. The MTSF sets out the actions government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights government's support for a competitive economy, creation of decent work opportunities and encouragement of investment.

This is the first MTSF to follow the adoption of the NDP in September 2012. The introduction of a long-term plan brings greater coherence and continuity to the planning system and means that the MTSF now becomes a five-year building block towards the achievement of the vision and goals of the country's long-term plan.

The aim of the MTSF is to ensure policy coherence, alignment and coordination across government plans as well as alignment with budgeting processes. Performance agreements between the president and each minister will reflect the relevant actions, indicators and targets set out in the MTSF.

Within the NDP vision, key policy instruments developed in the previous term will continue to drive government's policy agenda. These include the New Growth Path, which sets the trajectory of economic development, the National Infrastructure Plan, which guides the roll-out of infrastructure to improve people's lives and enable economic growth, and the Industrial Policy Action Plan, which focuses on promoting investment and competitiveness in leading sectors and industries. Government will also take forward key social development initiatives, including social security and retirement reform, National Health Insurance, improvements in basic education and expansion of technical and vocational education.

▪ NATIONAL DEVELOPMENT PLAN – VISION FOR 2030

The plan, adopted by Cabinet on 11 November 2011, helps us to chart a new path for our country.

It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth, the availability of jobs and change the life chances of our youth that remain underdeveloped by our apartheid history. Everything in the plan is aimed at reducing poverty and inequality.

In summary the plan has the following objectives that must be achieved by 2030:

1. Create Jobs
2. Expand Infrastructure
3. Transform Urban and Rural Spaces
4. Education and Training
5. Provide Quality Healthcare
6. Build a Capable State
7. Fight Corruption Transformation and Unity

- **PROVINCIAL STRATEGIC PLAN (PSP) – 2019 - 2024**

- **AN OUTLINE OF THE VISION-INSPIRED PRIORITIES**

1. SAFE AND COHESIVE COMMUNITIES

THE WESTERN CAPE IS A PLACE WHERE RESIDENTS AND VISITORS FEEL SAFE.

When people feel unsafe, it affects every area of their lives. For example, it prevents people from enjoying public spaces and travelling safely to work and discourages our businesses from growing and creating jobs. This is why safety is a theme in our other priorities, and every provincial department will contribute to a safer Province.

This priority focuses on improving law enforcement and addressing the root causes of violent crime, such as child abuse and unemployment.

2. GROWTH AND JOBS

AN ENABLING ENVIRONMENT FOR THE PRIVATE SECTOR AND MARKETS TO DRIVE GROWTH AND CREATE JOBS.

We want to make the Western Cape a place where businesses want to invest and from where businesses export their products. This means we must have excellent infrastructure, skilled workers, and companies that can compete with the best in the world. With this in place, more and more people in the Province will have jobs.

3. EMPOWERING PEOPLE

RESIDENTS OF THE WESTERN CAPE HAVE OPPORTUNITIES TO SHAPE THEIR LIVES AND THE LIVES OF OTHERS, TO ENSURE A MEANINGFUL AND DIGNIFIED LIFE.

We see a Western Cape where families are strong, our youth have the skills, knowledge, and personal character to succeed in the 21st Century world of technology and computers, and all of our people have access to excellent health services.

4. MOBILITY AND SPATIAL TRANSFORMATION

RESIDENTS LIVE IN WELL-CONNECTED, VIBRANT, AND SUSTAINABLE COMMUNITIES AND MOVE AROUND EFFICIENTLY ON SAFE, AFFORDABLE, LOW CARBON PUBLIC TRANSPORT.

We want to see a Western Cape where our people use safe, affordable, and green public transport and live in neighbourhoods that include different racial and income groups and are close to economic and social opportunities.

5. INNOVATION AND CULTURE

GOVERNMENT SERVICES ARE DELIVERED TO THE PEOPLE OF THE WESTERN CAPE IN AN ACCESSIBLE, INNOVATIVE, AND CITIZEN-CENTRIC WAY.

As your provincial government, we are constantly looking for ways to improve our services to you. We will assess our services regularly and try new things, and change what we are doing if we are not meeting your needs.

The Witzenberg Municipality, through its Integrated Development Plan, strives to align its priorities to those of provincial and national government, The following matrix provides the strategic alignment between the three spheres of government.

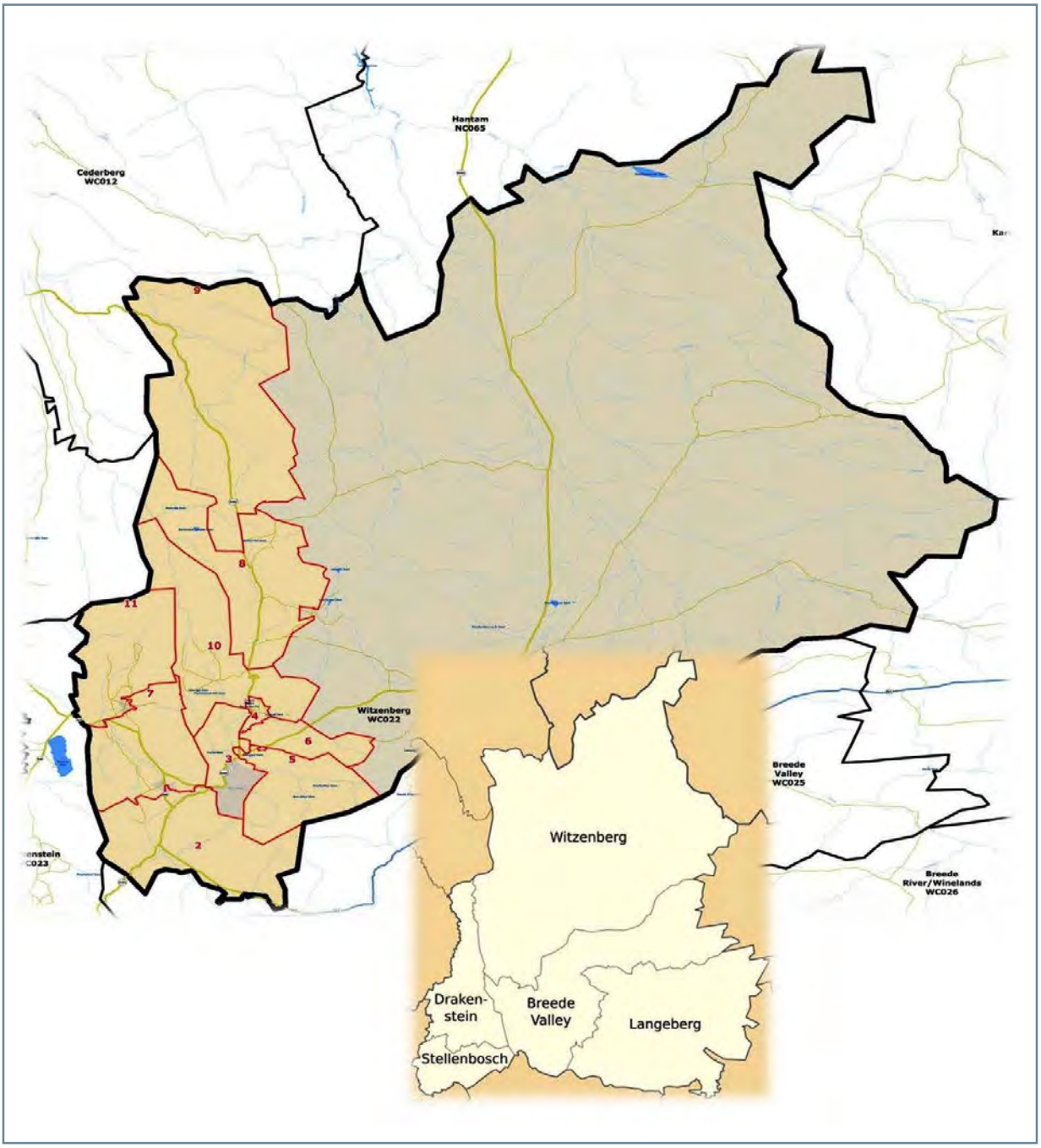
National Priorities (2019 – 2024)	***Western Cape Vision-inspired Priorities (2019 – 2024)***	***Cape Winelands District Strategic Objectives***	***Witzenberg Strategic Objectives***
5: Social cohesion & safe communities *2: Education, skills & health*	*1: Safe and Cohesive communities*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment*	*2.1 Support Institutional Transformation and Development.* *3.1 Provide and maintain facilities that make citizens feel at home.*
5: Social cohesion & safe communities	*1: Safe and Cohesive communities* *3: Empowering People* *5: Innovation and Culture*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.*	*4.1 Support the poor and vulnerable through programmes and policy*
1: Economic transformation and job creation. *4: Spatial integration, human settlements & local government*	*4: Mobility and Spatial Transformation* *2: Growth and Jobs*	*SO : 2 Managing a sustainable bulk services strategy and transport system which foster social and economic opportunities.*	*1.2 Create an enabling environment to attract investment and support local economy.*
6: Capable, ethical and developmental state	*5: Innovation and Culture*	*SO 3: To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.*	*2.1 Support institutional transformation and development.*
4: Spatial integration, human settlements & local government	*4: Mobility and Spatial Transformation*	*SO : 2 Managing a sustainable bulk services strategy and transport system that foster social and economic opportunities.*	*4.2 Create an enabling environment to attract investment and support local economy.*
5: Social cohesion & safe communities *2: Education, skills & health*	*1: Safe and Cohesive communities* *3: Empowering People*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape*	*4.1 Support the poor and vulnerable through programmes and policy*

National Priorities (2019 – 2024)	***Western Cape Vision-inspired Priorities (2019 – 2024)***	***Cape Winelands District Strategic Objectives***	***Witzenberg Strategic Objectives***
		Winelands District through economic, environmental and social infrastructure investment.	
5: Social cohesion & safe communities *2: Education, skills & health*	*1: Safe and Cohesive communities*	*SO 1: To create an environment and forge partnerships that ensure the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment.*	*1.1 Sustainable provision and maintenance of basic infrastructure* *1.2 Provide for the needs of informal settlements through improved services.*
6: Capable, ethical and developmental state	*5: Innovation and Culture*	*SO 3: To provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.*	*2.2 Ensure financial viability* *2.3 Maintain and strengthen relations with international and inter-governmental partners as well as the local community through the creation of participative structures.*

3 SITUATIONAL ANALYSIS

A. SNAPSHOT

I. MAP



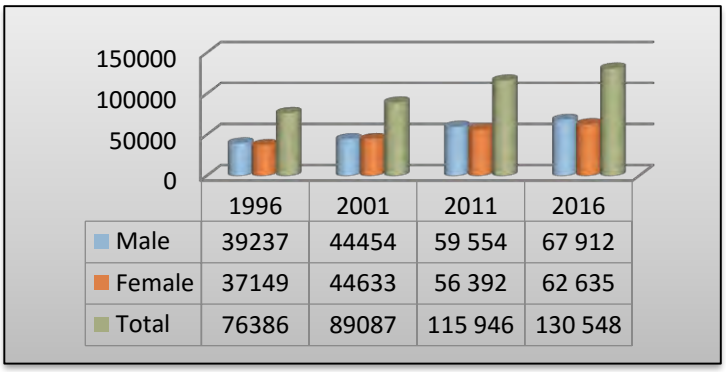
The Witzenberg Local Municipality (LM), founded in 2000, is classified as a Category B-municipality and is responsible for basic service provision to the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. The rural areas within the municipal boundary are Ceres Valley, Koue Bokkeveld, Achter-Witzenberg and the northern portion of the Breede River Valley area.

The climate in Witzenberg is known for its hot and dry summer days. Winds are seasonal and generally north-westerly or south-easterly. The average annual rainfall in Ceres is about 1 088 mm and the average temperature range is 2,4°C to 29,9°C.

Located in the picturesque and fertile Breede Valley, Witzenberg is best known for its fruit and wine products. The region is also well-known for producing other agriculture-linked products such as olives and grain, as well as for producing beef and pork products. Horse and cattle stud farms are also found within the municipal area.

The principal socio-economic realities in our region are:

- Seasonal labour and social grant dependency
- Unemployment rate: 5 339 people
- People in poverty: 24 231
- Skills shortage (illiteracy rate = 36%)
- Youthful population: 56,8% of population is under 30 years of age
- Population concentration: 46,9% rural; 53,1% urban.



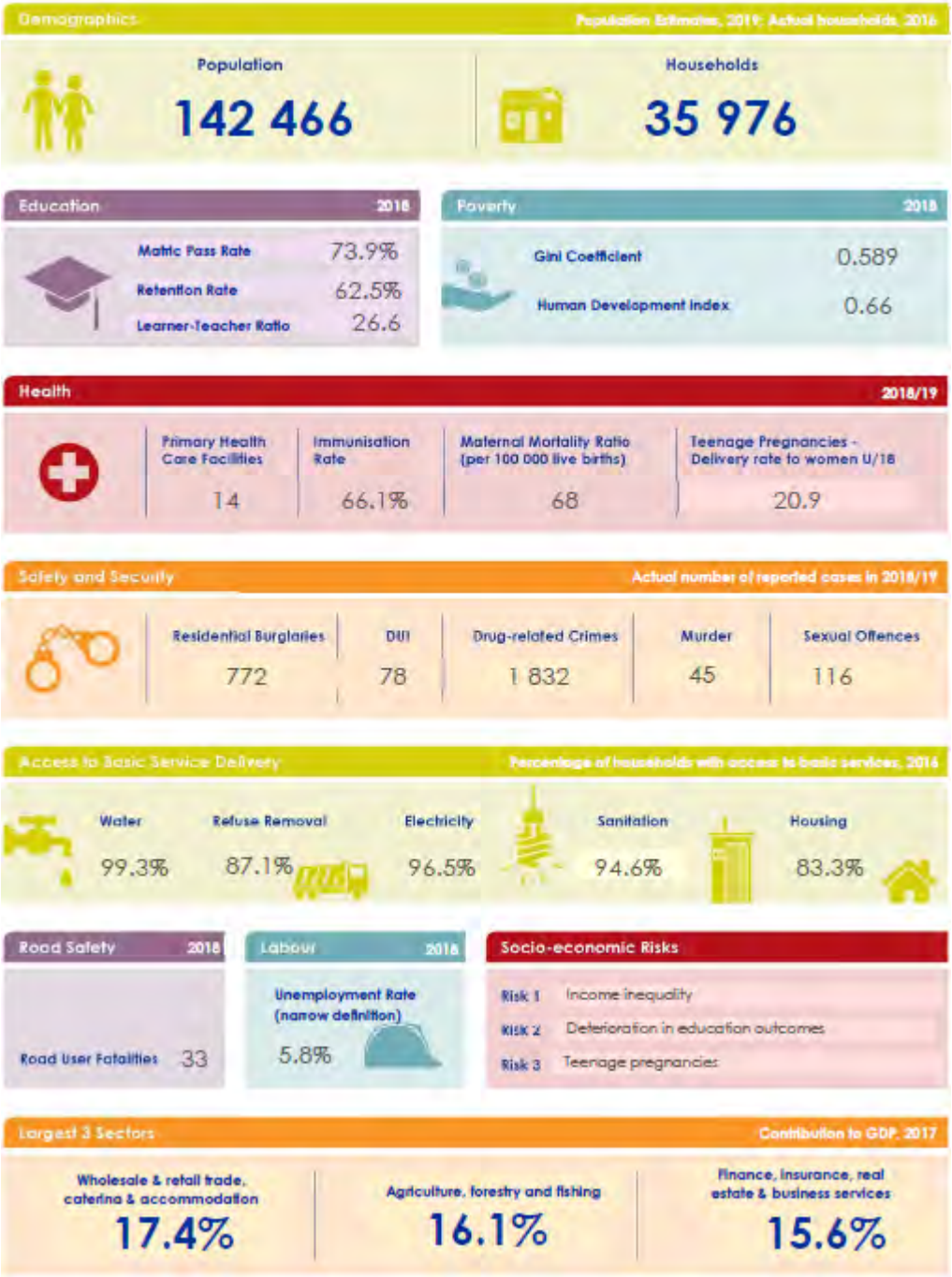
Source: Statistics South Africa

Witzenberg population by gender:

	1996	2001	2011	2016
Male	39237	44454	59554	67912
Female	37149	44633	56392	62635
Total	76386	89087	115946	130548
Male %	**51,4**	**49,9**	**51,4**	**52,0**
Female %	**48,6**	**50,1**	**48,6**	**48,0**

Source: Statistics South Africa

Witzenberg: At a glance



Source: Socio-Economic Profile- Provincial Treasury

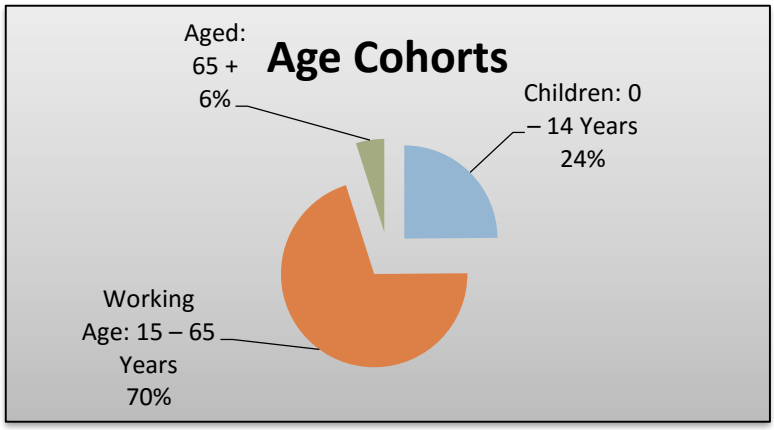
II. DEMOGRAPHICS

As per Census 2011, the Western Cape population comprises 11,25 per cent of the total population of the country with 5,8 million persons, having increased from 4,5 million in 2001. Thus the Western Cape population grew at a rate of 2,6 percent per annum between 2001 and 2011. This is faster than the national population growth rate of 1,5 per cent and is largely due to immigration to the Western Cape, where individuals believe they can obtain jobs and better standards of living.

In 2013 Witzenberg accounted for the second smallest population size in the Cape Winelands District consisting of 120 094 persons. It is however the fastest-growing municipality in the district, growing at an average annual rate of 3,1 per cent from 2001 to 2013. This is much faster than the district growth rate of 1 per cent per annum, indicating that net in-migration may be occurring within this municipal area.

With a population of 142 466 in 2019, Witzenberg is the second lowest populated municipal area in the CWD. This total is expected to growth to 153 987 by 2023, equating to an average annual growth rate of 2.0 per cent. The estimated population growth rate of Witzenberg is slightly below that of the CWD at 1.6 per cent. The Western Cape average annual growth rate is 1.8 per cent across the same period.

Witzenberg: Population age Cohort, 2017



Witzenberg: Age Cohorts, 2019 – 2025				
Year	**Children 0 – 14 Years**	**Working Age 16 – 65 Years**	**Aged 65+**	**Dependency Ratio**
2019	36 556	100 161	5 750	42.2
2022	38 235	107 725	6 538	41.6
2025	39 749	113 338	7 237	41.5
Growth	1.4%	2.1%	3.9%	-

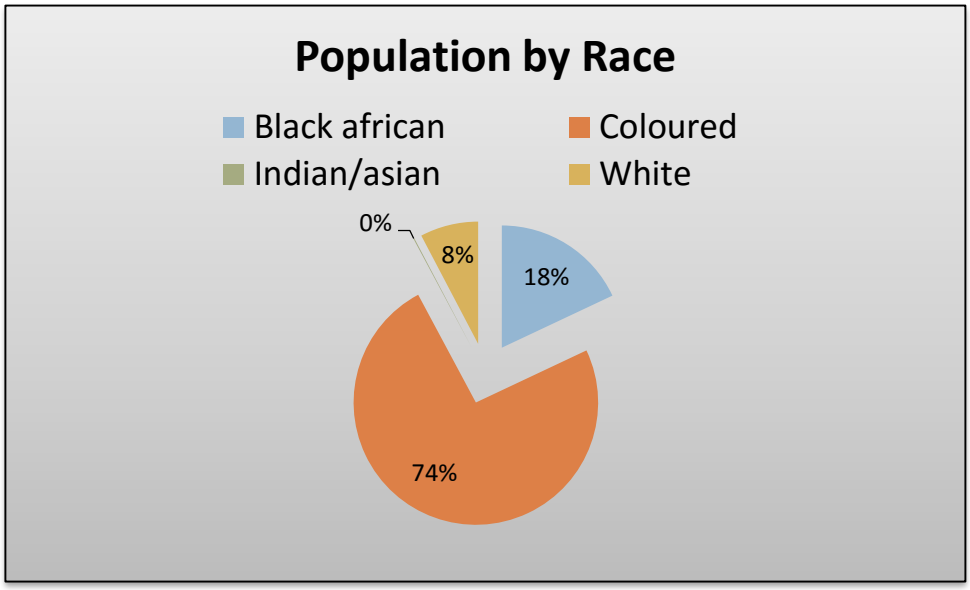
Source: Socio-Economic Profile- Provincial Treasury

The above table depicts Witzenberg's population composition per age cohorts. These groupings are also expressed as a dependency ratio which in turn indicates who are part of the workforce

(Age 15 - 64) and those, who are depending on them (children and senior citizens). A higher dependency ratio implies greater pressure on social systems and the delivery of basic services.

Between 2019 and 2025, the largest population growth was recorded in the 65+ aged cohort which grew at an annual average rate of 3.9 per cent. This predicted growth rate increases the dependency ratio towards 2025.

Population Group



Source: Statistics South Africa

Basic education

Population dynamics, which include knowledge of the current population profile and projected learner growth, provide a basis for sound education planning. Knowing the learner enrolment numbers of a municipality enables the Western Cape Education Department (WCED) to determine the level of demands placed on schools for the current year as well as anticipated demands for future years. Having a sense of the exit points allows the WCED to plan more effectively with respect to Further Education and Training (FET). The learner-teacher ratio is very important, because it is closely related to the amount of money spent per child. It also has an impact on the education outcomes.

The average annual growth in learner enrolment for the Western Cape across the period 2016 to 2018 is expected to be 2.3 per cent. The highest growth in learners is expected to occur in the Stellenbosch municipal area (1.9 per cent) whilst the lowest growth is estimated to be in the Witzenberg (0.9 per cent).

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Learner enrolment			Dropout rate		Learner-teacher ratio	
Year	2016	2017	2018	Crude dropout Average rate using dropout Yr 2016 - Gr 10 and rate Yr 2018 - Gr 12	Average learner-teacher ratio (2018)	~~ASS 2017: ALL state + SGB + substitutes teacher excluding practitioner ratio~~
Total	18048	18070	18377	37.50%	26.6	~~33.8~~

Source: Socio-Economic Profile - Provincial Treasury

In 2018, the learner-teacher ratio in Witzenberg was 26.6, the second highest in the District. The lowest ratio is observed in the Stellenbosch area at 24.9, whilst the Western Cape average is 28.8 learners per teacher in 2018.

The learner retention rate refers to the number of students that start Grade 12 as a percentage of the number of students that enrolled in Grade 10 two year prior. The inverse of the learner-retention rate is commonly referred to as the drop-out rate. Learner retention rates are influenced by multiple social, economic and psychological factors.

Educational facilities

Source: Socio-Economic Profile - Provincial Treasury

The number of schools across the CWD remain mostly unchanged in recent years, the exception being the closure of one school in the Witzenberg and Drakenstein municipal area between 2017 and 2018. The closure of these schools could have a negative impact on education outcomes given the gradual increase in learner enrolment.

There was no change in the number of schools with libraries in the Witzenberg area from 2017 to 2018. The availability of library facilities within schools contribute towards narrowing the academic attainment gap by allowing students access to information which is in turn directly linked to improved education outcomes.

The matric pass rates for the CWD declined overall in 2018, with all areas except for Witzenberg experiencing a decrease in their matric pass rates. The 2018 pass rate in the Witzenberg municipal area (73.9 per cent) is still lower than the District average (79.5 per cent).

Decreasing pass rates does at face value not instil confidence, but should be seen within context where more students potentially pass matric within a certain region than the previous year (in terms of actual numbers), but that less passed as a percentage of the overall enrolment figure. It could also very well be the case where pass rates overall declined, but that the quality of the pass result improved i.e. more students passed with subjects such as math and science or more students passed with matriculation exemption (requirement for first-degree study at a South African university).

Health

All citizens' rights to access to healthcare services are directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare system is geared in such a way that people have to move from primary level, with a referral system, to secondary and tertiary levels.

Area	PHC Clinics		Community Health Centres	Community Day Centres	Hospitals		Treatment Sites	
	Fixed	Non-fixed			District	Regional	ART Clinics	TB Clinics
Witzenberg	8	6	0	1	1	0	8	19
Cape Winelands District	39	33	0	6	4	2	45	94

Source: Socio-Economic Profile - Provincial Treasury

In 2018, there were a total of 14 primary healthcare clinics (PHC) in Witzenberg - 8 fixed and 6 mobile facilities. Although there are no community health centres in Witzenberg, there was one community day centre. There is also 1 district hospital as well as 8 antiretroviral treatment clinics/sites and 19 Tuberculosis clinics/sites.

Emergency Medical Services

Health Indicator	*Witzenberg*	*Cape Winelands*
Population (2017)	***128 614***	***853 423***
Number of operational ambulances per 10 000 people	***2***	***2***

Source: Socio-Economic Profile - Provincial Treasury

Access to emergency medical services is critical for rural citizens due to rural distances between towns and health facilities being much greater than in the urban areas. Combined with the relatively lower population per square kilometer in rural areas, ambulance coverage is greater in rural areas in order to maintain adequate coverage for rural communities. Provision of more operational ambulances can provide greater coverage of emergency medical services. Witzenberg, has 2 ambulances per 10 000 inhabitants in 2017 which is on par with the District average of 2 ambulances per 10 000 people

HIV/Aids

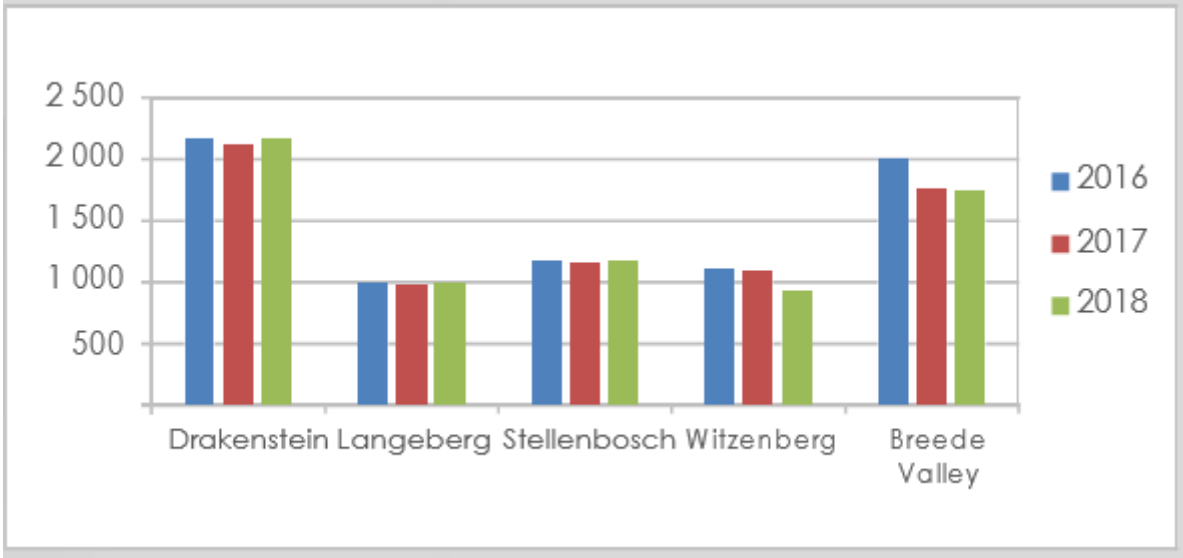
Area	ART clients that remain with treatment month end		Number of new ART patients	
	2017/18	2018/19	2017/18	2018/19
Witzenberg	5 730	6 305	1 047	816
Cape Winelands	**29 019**	**30 724**	**4 602**	**3 851**

Source: Socio-Economic Profile - Provincial Treasury

The number of clients (patients) that remain committed to their antiretroviral treatment (ART) plan in the Witzenberg municipal area increased by 10.0 per cent from 5 730 patients in 2017/18 to 6 305 in 2018/19. There is a notable decrease in the number of new clients starting ART treatment – the number of new patients in the Witzenberg municipal area decreased by

22.1 per cent from 1 047 in 2017/18 to 816 in 2018/19. This could be an indication that the HIV infections are decreasing or an indication that less people are being tested and receiving access to HIV treatment.

Tuberculosis (TB)



Source: Socio-Economic Profile - Provincial Treasury

Tuberculosis accounted for 7.6 per cent of the premature deaths in the Province in 2016. The number of TB patients within the Witzenberg municipal area has gradually been decreasing from 1 100 in 2016/17 to 1 094 in 2017/18 and 928 in 2018/19. The 928 registered TB patients received treatment at 19 TB clinics/treatment sites. Above figures refer to registered patients and should not be interpreted as a general decline in TB infections.

Safety and Security

Murder

Municipal Area		2016/17	2017/18	2018/19
Actual Number	Witzenberg	49	56	45
	Cape Winelands District	345	353	336
Per 100 000	Witzenberg	36	40	32
	Cape Winelands District	38	38	37

Source: Socio-Economic Profile - Provincial Treasury

According to the official 2018/19 crime statistics, the Western Cape murder rate increased by 4.4. per cent between 2017 and 2018. In comparison, the rate decreased within the Witzenberg municipal area and most of the CWD

across the same period, with the exception of Drakenstein. The number of murders per 100 000 people in the Witzenberg municipal area decreased by 20 per cent from 40 in 2017/18 to 32 in 2018/19 whilst in turn decreasing by 2.7 per cent from 38 in 2017 to 37 in 2018 in the District.

Sexual offences

Municipal Area		2016/17	2017/18	2018/19
Actual Number	Witzenberg	170	147	116
	Cape Winelands District	954	970	835
Per 100 000	Witzenberg	125	105	82
	Cape Winelands District	106	105	92

Source: Socio-Economic Profile - Provincial Treasury

The actual number of reported sexual offences in Witzenberg has been decreasing steadily for the few years. The number of reported occurrences per 100 000 people increased from 105 in 2017/18 to 182 in 2018/19 (21.4 per cent decrease). The sexual offences rate for Witzenberg for

2018/19 was also lower than that of the District which also decreased from 105 in 2017/18 to

92 in 2018/19.

Drug-related offences

Municipal Area		2016/17	2017/18	2018/19
Actual Number	Witzenberg	3 266	3 416	1832
	Cape Winelands District	13 882	16 008	10 751
Per 100 000	Witzenberg	2 393	2 438	1 302
	Cape Winelands District	1 538	1 727	1 186

Source: Socio-Economic Profile – Provincial Treasury

Although there was an improvement between 2017/18 and 2018/19, the Western Cape still has the highest drug-related crime rate in the country at 1 203 reported incidents per 100 000 population in 2018/19. The drug-related crime rate for Witzenberg decreased significantly from 2 438 reported incidents per 100 000 people in 2017/18 to 1 302 in 2018/19, a 46.6 per cent drop. The incidences of drug-related crime rate decreased amongst all local municipal areas across the District between 2017/18 and 2018/19 with the District average decreasing from 1 727 to 1 186 respectively, a 31.3 per cent decrease.

Driving under the influence

Municipal Area		2016/17	2017/18	2018/19
Actual Number	Witzenberg	104	100	78
	Cape Winelands District	814	875	818
Per 100 000	Witzenberg	76	71	55
	Cape Winelands District	90	94	90

Source: Socio-Economic Profile - Provincial Treasury

The number of reported cases of driving under the influence (DUI) of alcohol or drugs per 100 000 people in the Witzenberg municipal area decreased by 22.3 per cent from 71 incidences in 2017/18 to 55 in 2019/18. Similarly, the DUI rate across the CWD decreased from 94 incidences per 100 000 population in 2017/18 to 90 in 2018/19 (4.4 per cent). Overall, the DUI rate for the Western Cape on average has declined.

B. BASIC SERVICES ANALYSIS

Witzenberg Municipality provides basic services to all communities residing within the urban edge of towns located in the municipal area. Apart from sanitation services through the emptying of septic tanks in rural areas, no other basic services are provided on privately owned land outside residential built areas. All households in residential areas have access to services such as water provision, sanitation, electricity and waste removal. Informal settlements are serviced through communal water and toilet facilities.

The following statistics on the access to services for the whole of Witzenberg, including areas outside the urban edge, has been provided by Provincial Treasury:

Housing

Access to Formal Housing

Community Survey 2016	Witzenberg	Cape Winelands District
Total number of households	**35 976**	**236 006**
Formal main dwelling	29 969	191 077
	83.3%	*81.0%*
Water (piped inside dwelling/within 200 m)	35 730	232 605
	99.3%	*98.6%*
Electricity (primary source of lighting)	34 734	228 650
	96.5%	*96.9%*
Sanitation (flush/chemical toilet)	34 017	218 483
	94.6%	*92.6%*

Refuse removal (at least weekly)	31 343	192 974
	87.1%	*81.8%*

Source: Socio-Economic Profile - Provincial Treasury

Since no new household survey information is available (compared to SEPLG 2017), this section highlights housing and household services access levels from the most recent available information from Statistics South Africa's Community Survey 2016. The next household survey which includes municipal level access to household services will be the Census in 2021.

With a total of 35 976 households, 83.3 per cent have access to formal housing.

Access to water, electricity and sanitation services were however significantly higher than this at 99.3 per cent, 96.5 per cent and 94.6 per cent respectively while household access to refuse removal services was at 87.1 per cent. These figures are on par or above that of the Cape Winelands District

Consumer Units

A key element to the sustainable management of services is accurate and reliable information on the demand for services, including free basic services, to enable informed projections on future demand. This section reflects on services growth based on information from Statistics South Africa's Non-Financial Survey of Municipalities. The unit of measure is a consumer/ billing unit which is not comparable to household level information. Services provided by municipalities are done per 'plot' or consumer/billing unit, however, since households are the unit of measurement more often used in demographic surveys, an understanding of household dynamics remains important.

The figure below illustrates the access to basic services (measured in terms of the number of consumer units that has access) in the Witzenberg municipal area between 2015 and 2018 as indicated through Statistics South Africa's Non-Financial Census of Municipalities.

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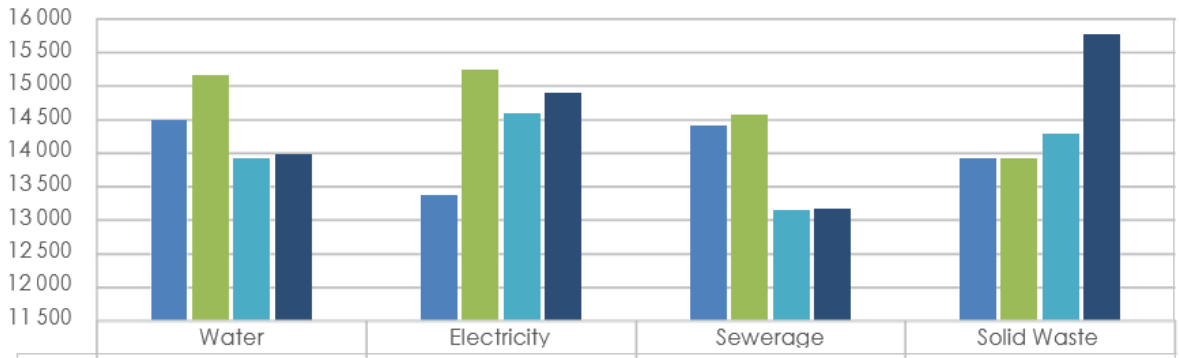

	Water	Electricity	Sewerage	Solid Waste
2015	14 492	13 372	14 413	13 920
2016	15 173	15 240	14 567	13 920
2017	13 934	14 589	13 142	14 292
2018	13 984	14 889	13 155	15 764

Source: Socio-Economic Profile - Provincial Treasury

In 2018, solid waste removal services represented the largest number of consumer units at 15 764. This was followed closely by electricity at 14 889. Water and sewerage had

13 984 and 13 155 consumer units respectively. The number of consumer units for solid waste removal services increased year on year since 2016 while the rest of the services consumer units decreased from 2016 to 2017 and increased in 2018.

Free Basic Services

As per the Constitution, it is the responsibility of the local sphere of government to provide services that satisfy the basic needs of its citizens. The Municipal Systems Act in turn defines a basic municipal service as those necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety or the environment. Such basic services include, but are not limited to the provision of water, sewage collection and disposal, refuse removal, municipal health services, street lighting, parks and recreation facilities etc.

Government however provides a basket of free basic services (water, sanitation, refuse removal and electricity) which aims to improve the lives of the poorest and most vulnerable communities. In order to qualify for the basket of free basic services, a household must be classified as an indigent household as per criteria determined by individual local municipalities. In general, a household is classified as indigent when the occupants in said households earn a combined income of less than a certain amount (poverty threshold) defined by the indigent policy of a municipality at that point in time. Municipalities review their indigent policies (and as such the determined amount) on an annual basis to bring the defined amount in line with reigning socio-economic conditions. According to Statistics South Africa, in 2017 most municipalities classified an indigent household as a family earning a combined income of less than R3 200 per month.

In 2018, the Witzenberg municipal area had a total of 3000 indigent households. Below figure illustrates the extent to which these indigent households had access to free basic services.

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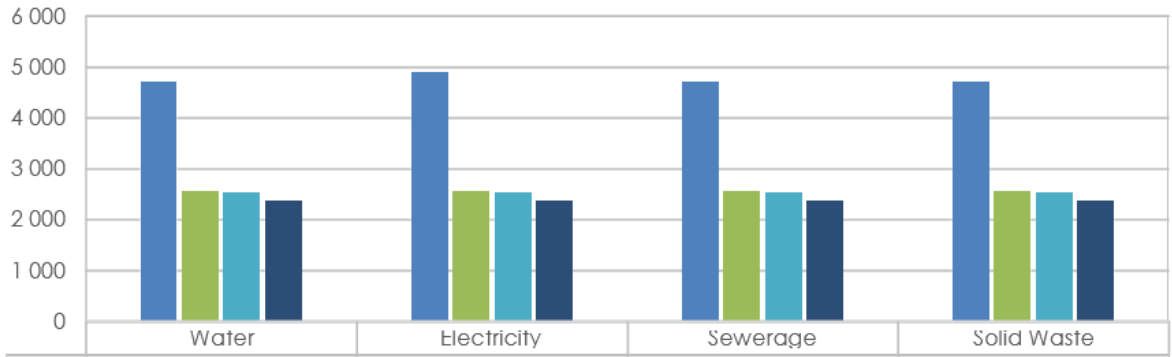


	Water	Electricity	Sewerage	Solid Waste
2015	4 701	4 909	4 701	4 701
2016	2 574	2 574	2 574	2 574
2017	2 521	2 521	2 521	2 521
2018	2 373	2 373	2 373	2 373

Increased economic hardship at national level is expected to impact on poorer households and their ability to afford quality services. The burden will in turn be passed to local municipalities who must strain their revenue streams to extend services to indigents.

Access to basic services for residential communities

The following tables indicate access to basic services with regard to each residential community in Witzenberg. The figures show the number of formal households (accounts) connected to a service delivery network as well as the number of households in informal settlements with access to communal service points. The shortfall in housing units is derived from the Housing Waiting List information as contained in the audited 2017/18 Annual Report.

Basic service provision per ward/town (within urban edge).

Wards	Town	Nr. of Accounts				*Informal Households	Housing Waiting List
		Water	Sanitation	Electricity	Refuse		
1,12	*Nduli*	1 119	1 126	1 745	1 113	1 096	1 524
3,5	*Ceres*	2 381	2 734	3 332	3 079		2 256
4,6	*Bella Vista*	2 554	2 579	2 533	2 568		
4,10	*Hamlet*	1 374	1 342	ESKOM	1 331		1 152
9	*Op-Die-Berg*	543	475	ESKOM	520		820
7,11	*Tulbagh*	1 826	1 835	2 244	1 920	812	1 031
2,7	*Wolseley*	2 550	2 606	2 750	2 620	1 059	1 343
TOTALS		12 347	12 697	12 604	13 151	2 967	9 546

*Informal Households – nr of households in informal areas (excluding backyarders)

Top four service delivery priorities per ward/town.

Wards	Town	Priority Name & Detail	Progress During 2018/19
1,12	Nduli	Sewer network needs to be improved	Periodic maintenance. Overload will decrease with re-establishment of informal settlement.
		Sports grounds needs to be restored/ upgraded	On-going vandalism & theft prohibits restoration
		Electrical theft needs to be clamped down	Illegal connections remain high priority to be addressed through newly developed Illegal electricity connection & theft strategy
		Provide street/security lights in unsafe areas	Periodic maintenance.
3,5	Ceres	Weekends the Town Main Roads have too much traffic	Spatial Development Plan in progress
		Housing need	635 Serviced sites completed & top structures being developed at Vredebes
		Rotational skip removal	New Waste Management Policy
		Playgrounds	Borehole for park irrigation
4,6	Bella Vista	Gang activity becoming a problem	Increasing law enforcement & coordination with SAPS
		Vandalizing of Municipal property	Increasing law enforcement & coordination with SAPS
		Business hub/mini CBD for Bella Vista	Discussions with Rural Development for funding
		Clamp down on illegal dumping of refuse.	New Waste Management Policy
4,10	Hamlet	Animal control in all areas	Increased law-enforcement
		Business hub/mini CBD for Kliprug area	Spatial Development Plan in progress
		Xhosa medium school for PA Hamlet area	Conveyed to Provincial Government
		Housing need	Development at Vredebes
9	Op-Die-Berg	The location of public ablutions facilities in the CBD area	New ablutions budgeted for in 2019/20
		More municipal services to be rendered at Op Die Berg offices	New office opened at Nuykintaba Hall
		Illegal shebeens need to be closed	Continued law enforcement & inspections
		Speed calming still a problem	Increased law enforcement
7,11	Tulbagh	More ablution facilities needed in Chris Hani area, and ASLA Camp	Upgrade of Informal Settlements project underway for Chris Hani
		Informal households utilising storm water as a means to dump their grey water & waste water, which contaminates river. Storm water network in	Formal housing to be included in housing pipeline to alleviate problem.

		Tulbagh needs to be maintained regularly	
		Sewerage network in Chris Hani area needs to be maintained regularly	Periodic maintenance
		Speed calming needed along main street walkway routs	Increased law-enforcement
2,7	Wolseley	Taxi rank placements to be investigated	Spatial Development Plan in progress
		Public bathroom facilities in the CBD	Spatial Development Plan in progress
		Back yard dwellers still a problem, housing need	Housing project planned for 2020/21
		Illegal shebeens need to be closed	Continued law enforcement and inspections

Access to basic services for rural (farm) communities

Witzenberg Municipality does not provide basic services to rural communities, including farm dwellers. Basic services are provided by the land owner with Eskom providing bulk electricity provision. The general standard of basic service levels in rural areas are, however, above the norm as the table below indicates. Information in the table is derived from the Farmworker Survey Report: Witzenberg, completed in March 2015 by the Western Cape Department of Agriculture.

Service	Witzenberg Municipality	Provincial Average	National Average
Electricity	98%	93%	85%
Water – access to piped water on premises	98% (95% provided free of charge)	N/A	73%
Sanitation – flush toilets	97% (receive free service)	85%	57%
Refuse removal	95% (receive free removal)	N/A	N/A

The following section assesses the state of farm worker dwellings and the associated infrastructure and services available to these households. Only a few tables are shown here while all results are discussed. A complete set of tables may be found in the Appendices.

Type of Dwelling	On Farm	%	Off Farm		Total	
Mud house	13	0,66%	1	0,26%	14	0,60%
RDP house	24	1,22%	53	13,66%	77	3,28%
Brick house	1731	88,18%	167	43,04%	1898	80,73%
Informal dwelling	45	2,29%	127	32,73%	172	7,32%
Backroom	4	0,20%	7	1,80%	11	0,47%
Caravan/tent	5	0,25%	1	0,26%	6	0,26%
Other	141	7,18%	32	8,25%	173	7,36%
Total	1963	100%	388	100%	2351	100%

From all the respondents (living on and off farms) across the region, 80,73% live in brick structures. Large differences are observed in the proportion of brick structures between those houses that are on the farms and those that are not. Among those living in brick structures across the region; 89% of the households that live in brick structures are on

farms. 97,63% of all the households in the region have electricity on the farms have electricity compared to the national figures of 85% and the provincial figures of 93%.

In terms of access to piped water at dwellings, 92% of households have piped water on the farms compared with 98% of the households on farms having access to piped water on their premises, while 66,75% of households off farms have access to piped water. These figures are still higher than the national (73%) figures. 95,90% of the households on the farm have flush toilets on the premises, which is significantly higher than the national figure (57%) for households. Comparing households on and off farms; 95,90% of households on the farms have flush toilets while 90,51% of the households off the farms have flush toilets. Overall, households on the farms are more likely to have access to electricity, piped water and flush toilets than households off the farms.

For households on the farms, water is largely provided free to the farmworker (95,21%) across the region. Houses off the farms either pay the municipality or obtain free water from the farmer or the municipality. More than 84% of households on the farms pay the farmer for electricity, while 65% households off the farms pay the municipality for electricity. Across the region, 95,14% of the households receive free refuse from the farmer, while 48,95% of those who live off the farms receive free refuse removal from the municipality. Sanitation is paid for by the farmer for those living on the farms over 96% of the time is, while 52,96% of those living off the farms receive free sanitation from the municipality.

C. SOCIO-ECONOMIC ANALYSIS (PROFILE)

I. STATUS OF LED STRATEGY

The purpose of local economic development is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

The most prominent places in the WLM area are Tulbagh, Wolseley and Ceres, with Prince Alfred's Hamlet and Op-die-Berg two northern outposts. Activities around these settlements are essentially agriculture based, with the towns being "agricultural service centres", with some agri-processing related to wine, fruit, vegetables and other niche products. The region is also well-known for its fruit and wine products, as well as producing other agriculturally linked products such as olive and grain producing areas, beef and pork products. Horse and cattle stud farms are also found within the municipality.

The municipality has made tremendous progress in mobilising and harnessing the energies and expertise of the business sector in developing effective economic development strategies and programmes. This is articulated in its new economic vision as adopted in 2011, namely;

"To strategically partner with the private sector, other spheres of government and its agencies, development institutions and donor agencies and in concert develop sizable commercial projects which encompasses the imperatives of employment creation and broad-based black economic empowerment and contributing to the general expansion of the economic base of Witzenberg."

This has led to the creation of a relationship between Witzenberg Municipality and Ceres Business Initiative (CBI) who represents the major commercial farmers and businesses in Ceres and surrounding areas.

The business forum, in partnership with the municipality, is in the process of developing business plans to expand the economic base of Witzenberg, with particular emphasis being placed on empowering previously disadvantaged groups. This holds huge potential for the entire region and will also be implemented with the advisory and financial support of national departments and agencies, including National Department of Land and Rural Development (NDLRD), Development Bank of South Africa (DBSA), Department of Water Affairs (DWA) etc. The NDLRD has already allocated R22 million towards projects in the Witzenberg Municipality. To structure this relationship between the municipalities, a Memorandum of Understanding was signed on 6 May 2014.

The other major economic driver in the area is the Tourism Sector and the municipality has undertaken a number of initiatives which should come to fruition over the next five years, including:

1. The Tourism Industry has recorded a very strong growth and has become an important element of the local economy. Key tourism activities include: wine tasting, 4x4 routes, hiking, game reserves, camping, horse riding, fishing, annual community festivals, snow in Ceres during the winter months, agricultural tourism attractions, fruit tours, San cave, museums and historic buildings.

2. Witzenberg Tourism caters for Cape Town and other Western Cape day and weekend tourists, as well as up-country seasonal tourists.

3. The strengthening and partnering with national, provincial and district municipality tourist initiatives.

4. The finalisation and completion of the National Road Corridor through Witzenberg.

5. The finalisation and completion of the Ceres Golf Estate Project.

6. The strengthening of international twinning and partnership agreements (Belgium).

7. The expansion and promotion of the Epic Mountain Bike Tour.

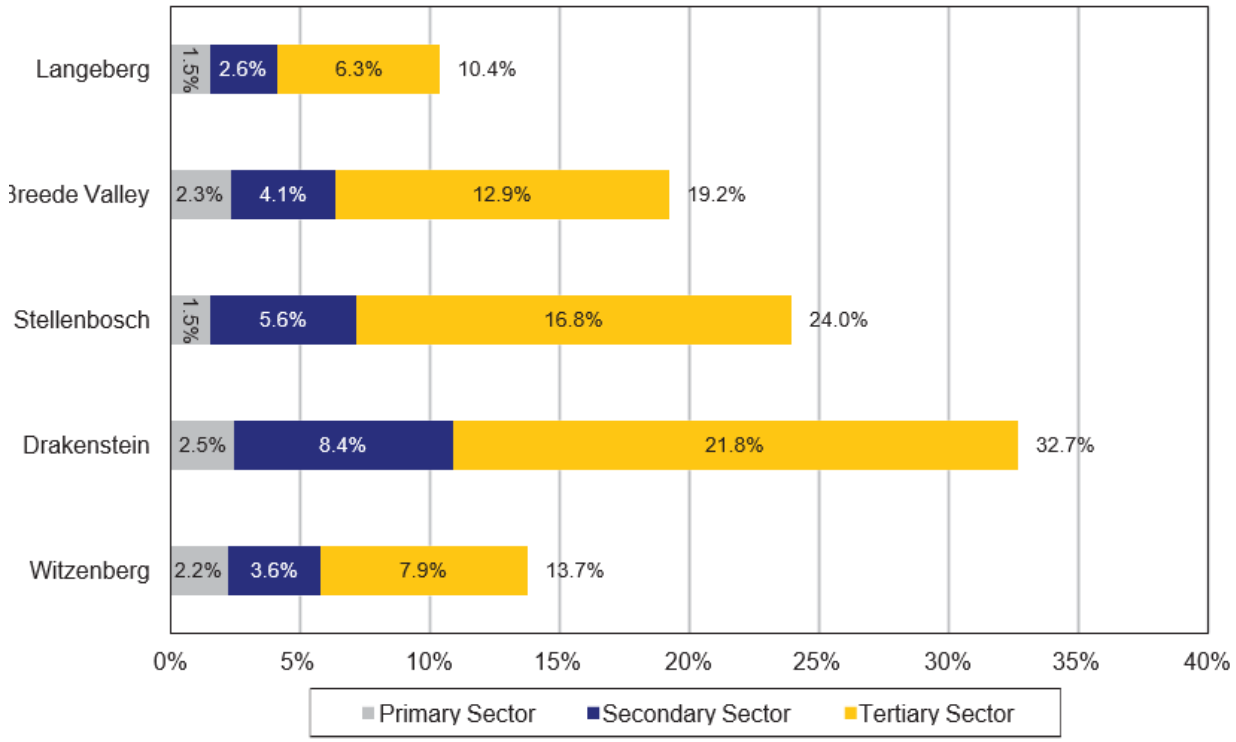
8. The expansion and promotion of the 4x4 trails, hiking trails, wine and fruit tourist routes.

II. Municipal comparative and competitive advantages

The Witzenberg municipal area is known for its fruit and wine production and includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. These towns provide the goods and services for the local agricultural industry. Some agro-processing also occurs (Witzenberg Municipality, 2017).

The Witzenberg municipality has a relatively small economy, contributing R8.2 billion to the economy of the CWD (13.5 per cent) and provides employment for 60 633 people (16.1 per cent of the total CWD employment).

GDPR contribution per main sector, 2017



Source: Provincial Treasury – Quantec Research, 2019

It is evident that the smallest economies in the CWD, namely the Langeberg and Witzenberg municipal areas, have larger primary sectors relative to their economies and therefore also smaller tertiary sectors. The municipal areas that have a higher degree of urbanisation and therefore larger towns that serve as service centres for the broader areas, such as Drakenstein and Stellenbosch, have larger tertiary sectors, and larger economies.

The contribution of the secondary sector to the local economies of the CWD are all relatively in line with the District, and Provincial sector contributions. This sector forms an important component of any local economy, as it utilises inputs from the primary industry to generate new products and add additional value to raw material - thus creating an opportunity to attract new investment and create jobs. This sector is mainly driven by the manufacturing sect

GDPR contribution and average growth rates per municipal area

Municipality	R million value 2017	Contribution to GDPR (%) 2017	Trend 2008 - 2017	Real GDPR growth (%) 2018e
Witzenberg	8 973.0	13.7	4.5	1.6
Drakenstein	21 315.4	32.7	1.9	0.7
Stellenbosch	15 638.5	24.0	1.9	0.8
Breede Valley	12 561.7	19.2	2.5	0.8
Langeberg	6 788.0	10.4	2.8	1.1
Total Cape Winelands District	**65 276.7**	**100**	**2.4**	**0.9**
Western Cape Province	568 420.7	-	2.0	0.9

Source: Municipal Economic Review Outlook – PT Source: Quantec Research, 2019 (e denotes estimate)

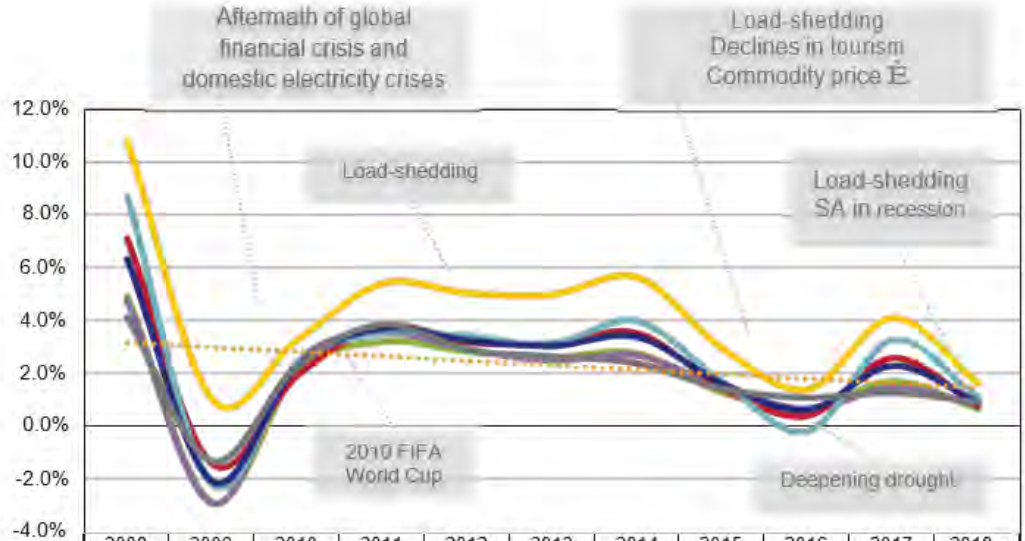
III. MAIN ECONOMIC CONTRIBUTORS

In 2016, the main economic sectors in the CWD included the following:

- Finance, insurance, real estate and business services sector (19.9 per cent)
- Wholesale and retail trade, catering and accommodation sector (18.4 per cent)
- Manufacturing sector (15.7 per cent)

These sectors are highly dependent on the strength and stability of the national economy, which influences investment in these sectors, as well as the local agriculture, forestry and fishing sector that provides inputs for agro-processing.

GDPR growth per municipal area, 2008 - 2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018e
Witzenberg	10.8%	1.0%	3.3%	5.4%	5.0%	5.0%	5.6%	2.9%	1.4%	4.1%	1.6%
Drakenstein	4.9%	-2.9%	2.0%	3.2%	2.8%	2.6%	2.7%	1.3%	0.7%	1.7%	0.7%
Stellenbosch	4.7%	-3.0%	2.4%	3.5%	2.9%	2.5%	2.7%	1.4%	0.6%	1.4%	0.8%
Breede Valley	7.1%	-1.5%	1.9%	3.8%	3.2%	3.1%	3.5%	1.4%	0.4%	2.6%	0.8%
Langeberg	8.8%	-2.2%	2.4%	3.6%	3.4%	3.2%	4.0%	1.7%	-0.2%	3.3%	1.1%
Cape Winelands	6.3%	-2.1%	2.3%	3.7%	3.2%	3.0%	3.4%	1.6%	0.6%	2.3%	0.9%
Western Cape Province	4.1%	-1.3%	2.3%	3.8%	2.9%	2.6%	2.4%	1.4%	1.1%	1.2%	0.9%

Source: Municipal Economic Review Outlook – PT

The growth of the CWD followed the growth trajectory of the Western Cape Province. This has been illustrated by the downward trend during the period of the global financial crisis (2008 - 2009), and the upsurge in economic activities post-2009 - possibly as a result of the 2010 FIFA World Cup.

The decline in economic activity experienced in 2015/16 in the Western Cape Province is similar to the trend that was faced by the entire South African economy. This period was characterised by low domestic aggregate economic activities, fuelled by electricity shortages, declining commodity prices and policy uncertainties, which had an impact on investment decisions2. In turn, this had a negative effect on the supply

and the associated demand of local produce and the export market3. While the economy of the CWD recovered slightly in 2017, the District has not been able to achieve the growth rates realised pre-2009 in any year over the reference period.

Between 2008 and 2017, the Witzenberg municipal area experienced the highest growth rates relative to the other local municipal areas in the CWD. Although the estimated growth rate for 2018 was lower than that of 2017, the Witzenberg municipal area continued to exceed the CWD's and Western Cape Province's average growth rates. With reference to Table 1.1, the high growth patterns evident in the Witzenberg municipal area are indicative of the economy growing from a small base. Overall, the CWD economy shows a downward trend in economic growth.

Cape Winelands District GDPR contribution per sector, 2017 (%)

Sector	R million value 2017	Contribution to GDPR (%) 2017	Trend 2008 - 2017	Real GDPR growth (%) 2018e
Primary Sector	**6 550.6**	**10.0**	**2.7**	**-3.6**
Agriculture, forestry and fishing	6 422.7	9.8	2.8	-3.6
Mining and quarrying	127.8	0.2	0.8	-2.7
Secondary Sector	**15 881.8**	**24.3**	**0.1**	**0.2**
Manufacturing	10 172.4	15.6	-1.1	0.2
Electricity, gas and water	1 468.3	2.2	0.6	1.5
Construction	4 241.2	6.5	5.1	-0.1
Tertiary Sector	**42 844.3**	**65.6**	**3.3**	**1.8**
Wholesale and retail trade, catering and accommodation	12 133.6	18.6	3.4	1.2
Transport, storage and communication	6 175.7	9.5	2.8	2.1
Finance, insurance, real estate and business services	12 894.7	19.8	4.2	2.9
General government	6 732.1	10.3	2.3	0.5
Community, social and personal services	4 908.2	7.5	2.4	1.2
Total Cape Winelands District	**65 276.7**	**100**	**2.4**	**0.9**

Source: Municipal Economic Review Outlook – PT

IV. EMPLOYMENT AND INCOME LEVELS

In 2017, 385 548 people were employed in the CWD. Approximately fifteen out of every one hundred persons employed in the entire Western Cape Province, were employed in the District.

A further breakdown of the employment data shows that the Drakenstein municipal area employs the majority of working persons in the District, followed by the Breede Valley and Stellenbosch municipal areas. This is linked to the labour-intensive nature of the service industries.

Between 2008 and 2017, 45 187 jobs were created in the CWD. This equates to 4 519 jobs being created per annum. Although there was growth in employment in all the municipal areas, most employment opportunities were created in the Drakenstein

and Stellenbosch municipal areas. Furthermore, the two biggest economies created more jobs over the ten-year period. Despite its small contribution to GDPR, the Witzenberg municipal area made a significant impact in terms of employment creation relative to the size of its economy.

It is estimated that 5 286 more jobs were created in 2018 in the CWD. The recent increase and average number of jobs created over the ten-year period suggests that there is a positive trend in employment creation in the District. A growing tertiary sector primarily located in the bigger economies has resulted in more jobs being created in those economies.

Cape Winelands District employment growth, 2017

Municipality	Contribution to employment (%) 2017	Number of jobs 2017	Trend 2008 - 2017	Employment (net change) 2018e
Witzenberg	16.3	62 953	9 309	1 180
Drakenstein	28.5	109 871	12 967	1 435
Stellenbosch	19.9	76 585	9 611	963
Breede Valley	21.7	83 615	7 927	1 231
Langeberg	13.6	52 524	5 373	477
Total Cape Winelands District	**100**	**385 548**	**45 187**	**5 286**
Western Cape Province	-	2 518 080	326 286	35 433

Source: Socio-Economic Profile - Provincial Treasury 2019

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Household income

Stellenbosch had the highest proportion (20.4 per cent) of households without income and Witzenberg had the lowest (6.4 per cent). Furthermore,

Langeberg has the highest proportion (57 per cent) of low-income earners followed by Witzenberg (56.6 per cent), Breede Valley (53.8 per cent), Stellenbosch (53.1 per cent) and Drakenstein (45.5 per cent). Drakenstein has the highest proportion of middle- income earners (45.5 per cent) while Stellenbosch has the highest proportion of high- income earners (11.4 per cent). Many large companies and academic institutions in the region are based in these two municipal areas.

Income category	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg	
No income	**13.1**	**6.4**	**12.8**	**20.4**	**12.0**	**10.0**	
R1 - R6 314	1.9	1.7	1.8	2.0	1.7	2.5	
R6 315 - R12 628	3.5	4.0	3.2	3.5	3.1	4.3	Low Income
R12 629 - R25 257	13.4	18.7	10.7	10.6	15.2	15.8	
R25 258 - R50 514	20.1	25.8	17.1	16.6	21.8	24.3	
Subtotal	**51.9**	**56.6**	**45.5**	**53.1**	**53.8**	**57.0**	

R50 515 - R101 028	18.4	20.6	18.7	15.5	18.6	19.8	Middle Income
R101 029 - 202 055	12.3	10.6	13.9	11.6	12.7	10.8	
R202 056 - R404 111	8.8	6.8	10.7	8.5	8.5	7.3	
Subtotal	**39.4**	**38.0**	**43.2**	**35.6**	**39.8**	**38.0**	
R404 112 - R808 221	5.7	3.9	7.6	6.5	4.7	3.6	High Income
R808 222 - R1 616 442	2.0	1.1	2.5	3.3	1.0	1.0	
R1 616 444 - R3 232 885	0.5	0.3	0.6	1.0	0.3	0.2	
R3 232 886+	0.4	0.2	0.4	0.7	0.3	0.2	
Subtotal	**8.6**	**5.4**	**11.2**	**11.4**	**6.4**	**5.0**	

Source: Socio-Economic Profile - Provincial Treasury

In 2017, income inequality levels were higher in Witzenberg than in the Cape Winelands District but lower than the Western Cape average. It is not unexpected to see a sharp increase in inequality levels between 2016 and 2017 in the more rural areas such as Witzenberg, Breede Valley and Langeberg, given the slow economic growth and the severe drought conditions which have had a negative impact on employment.

Employment per sector

Witzenberg GDPR and employment performance per sector, 2017

	GDPR			Employment		
Sector	**R million value 2017**	**Trend 2008 - 2017**	**Real GDPR Growth 2018e**	**Number of jobs 2017**	**Trend 2008 - 2017**	**Employment (net change) 2018e**
Primary Sector	**1 444.3**	**3.5**	**-3.2**	**20 115**	**-7 307**	**-434**
Agriculture, forestry and fishing	1 441.9	3.5	-3.2	20 109	-7 308	-434
Mining and quarrying	2.4	4.9	0.7	6	1	0
Secondary Sector	**2 345.0**	**3.7**	**1.9**	**8 096**	**2 470**	**197**
Manufacturing	1 301.3	2.4	2.2	3 768	392	13
Electricity, gas and water	304.2	3.9	2.9	227	104	0
Construction	739.6	7.4	0.8	4 101	1 974	184
Tertiary Sector	**5 183.6**	**5.2**	**2.9**	**34 742**	**14 146**	**1 417**
Wholesale and retail trade, catering and accommodation	1 559.3	4.3	2.0	12 032	4 917	508
Transport, storage and communication	627.8	3.3	1.8	1 500	697	43
Finance, insurance, real estate and business services	1 401.5	7.1	4.6	6 373	2 695	387
General government	963.2	4.9	1.9	6 491	2 538	222
Community, social and personal services	631.8	4.7	2.8	8 346	3 299	257
Total Witzenberg	**8 973.0**	**4.5**	**1.6**	**62 953**	**9 309**	**1 180**

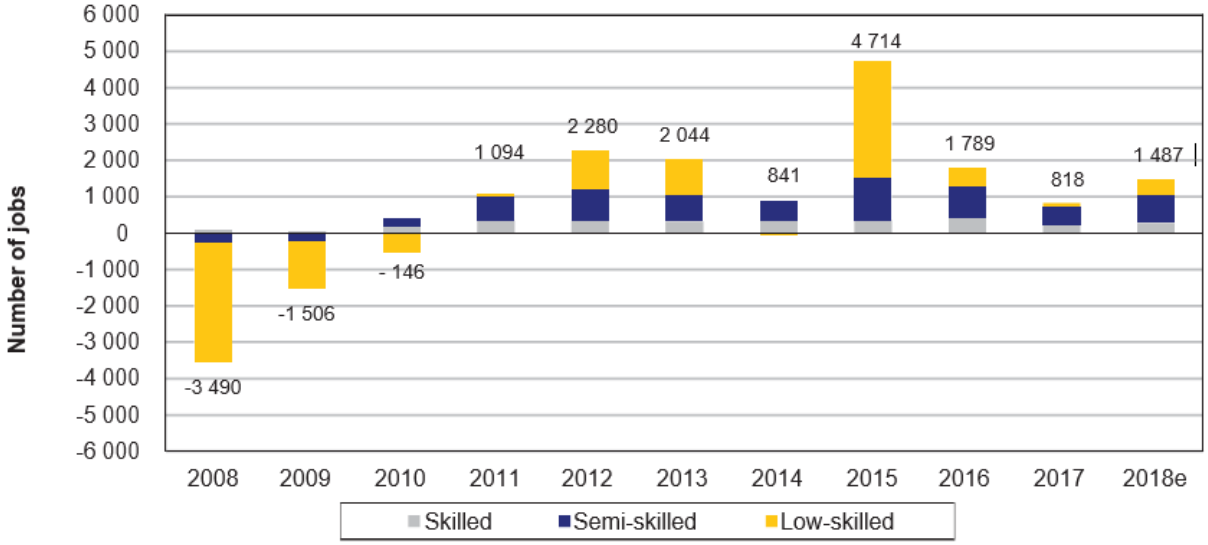
Source: Municipal Economic Review Outlook – PT Quantec Research, 2019 (e denotes estimate)

Although activity in the agriculture, forestry and fishing sector grew by an average of 3.5 per cent between 2008 and 2017, it is estimated that the sector contracted in 2018. The

contraction is linked to the recession in the South African economy and the negative impact of environmental factors such as the drought that was experienced in the last few years. It is estimated that 7 307 jobs were lost in the agriculture, forestry and fishing sector over the ten-year period. A significant number of jobs were lost during periods of economic downturn and periods in which the drought affected productivity in this sector. The key sector in the tertiary sector have been less susceptible to macroeconomic and local environmental influences that have occurred in the past. The finance, insurance, real estate and business services sector realised an average growth rate of 7.1 per cent between 2008 and 2017, which is above the average growth rate of municipal area (of 4.5 per cent). Although the labour force in the same sector contracted somewhat in 2009, there has been a positive trend in terms of job creation. It is estimated that the GDPR of the sector grew in 2018, in addition to more labour being absorbed into the economy. The same trend was observed for the wholesale and retail trade, catering and accommodation, and community, social and personal service sectors

Skills levels

Witzenberg employment growth by skill levels, 2008 - 2018



Source: Municipal Economic Review Outlook Quantec Research, 2019 (e denotes estimate)

Witzenberg municipal area followed the trajectory of the District. A decline in employment was observed between the 2008 and 2010 period, followed by the consistent increases in job creation between 2011 and 2018. Low-skilled jobs are most commonly adversely affected during periods of economic slowdown and contraction. Between 2011 and 2018, the demand for semi-skilled and skilled persons was constant. The demand for low-skilled workers is, however, volatile. For example, the absorption of low-skilled workers in 20158 has not been consistent throughout the analysed period. This suggests that low-skilled individuals in the Witzenberg municipal area are more vulnerable and face greater risks to income security due to exogenous shocks.

V. SMALL, MICRO AND MEDIUM ENTERPRISES

Most current economic research data indicate that SMMEs play major role in creation of jobs at a local level. The Witzenberg SMME sector has been organised into an active business forum that meets regularly to develop new projects and shares business challenges. The municipality has organised a number of training sessions with this sector around mentoring and coaching, business skills, business plan writing, budgeting and financial planning etc. These programmes were organised through the Red Door, IDT, Seda, Provincial Economic Unit, DTI etc. These programmes will be expanded and specific attention will be given to the promotion of this sector through the municipal procurement supply chain.

Local contractors were capacitated with contractor development training, as well as Western Cape Department Supply Chain workshops, where they could also access information on SARS and the Construction Industry Development Board (CIDB). Mentoring projects for contractors are planned for the new financial year.

Arts and crafts entrepreneurs were capacitated with tourism awareness training and creativity workshops. Entrepreneurs were also connected with organisations in Cape Town such as the Cape Craft Development Institute (CCDI), where they were assisted with business services and product enhancement. Access to markets were provided to entrepreneurs by means of an arts and crafts expo and craft market.

A Tulbagh arts and crafts programme was also launched for youth in Tulbagh where training in products such as recycling, painting and mosaic were conducted by a local entrepreneur, thereby also empowering local artists to impart their skill. The youth were also connected with festivals where they could sell their products to tourists.

Tourism projects planned for the new financial year include increased efforts for entrepreneurs to access markets and business capacity building.

VI. TOURISM

Witzenberg Municipality manages local tourism in the form of a service level agreement (SLA) with three local tourism organisations, which conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area.

Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct. Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through the attraction of tourists, awareness campaigns, roadshows, expos, events and festivals.

Tourism further aims to train and skill local entrepreneurs to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.

- Promotion and development of Accessible Tourism.
- To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

- Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines).
- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism.
- Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

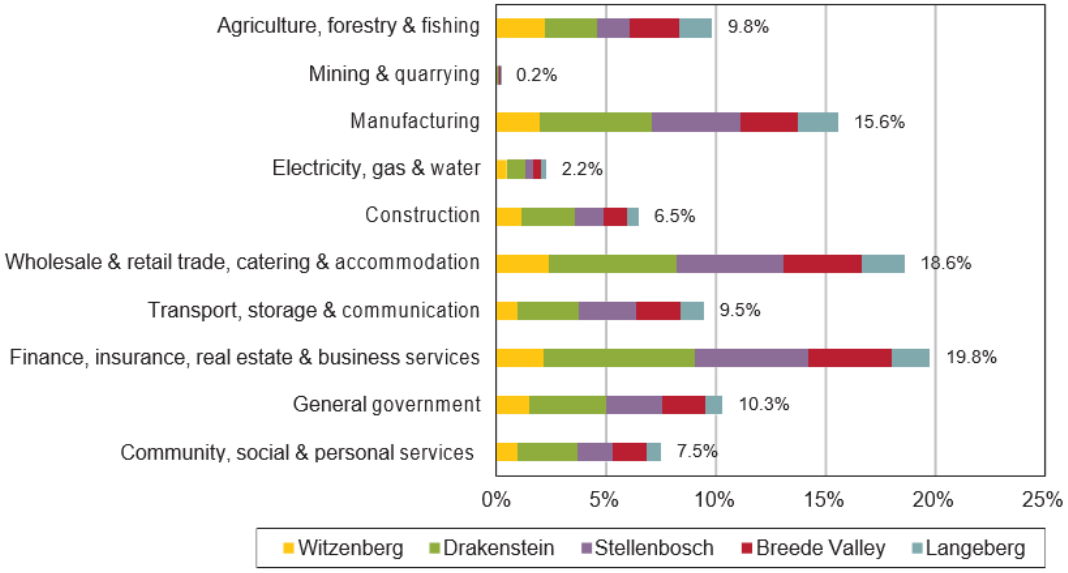
Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality. Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites.

Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

VII. MANUFACTURING (INDUSTRIAL)

Cape Winelands District manufacturing GDPR contribution per sector, 2017(%)



Source: Municipal Economic Review Outlook – PT Quantec Research, 2019

Mining and quarrying activities in the CWD mainly occurs in the Breede Valley municipal area. Barring the mining and quarrying sector, there are activities from each of the sectors in every area. Furthermore, in relation to the biggest economies, much of the output is derived from the wholesale and retail trade, catering and accommodation, and finance, insurance, real estate and business services sectors.

It is estimated that the GDPR of the CWD will grow by 1.4 per cent in 2019. Forecasts indicate that the growth rate will increase to 2.2 per cent in 2020. Overall, the trend suggests that the GDPR of the CWD is expected to increase by 3.4 per cent between
2019 and 2023.

Although the electricity, gas and water sector makes a relatively small contribution to the GDPR of the CWD, it has been projected that this sector will grow by 1.5 per cent in 2019. Forecasts also indicate that growth in this sector will spike upwards, to achieve a growth rate of 3.5 per cent in 2020. Overall, it is anticipated that the electricity, gas and water sector will grow by 4.9 per cent between 2019 and 2023.

The construction sector is the second largest contributor to GDPR to the secondary sector, though it is noticeably smaller than the manufacturing sector. It is forecasted however that the construction sector will grow by 0.5 per cent in 2019. Similar to the electricity, water and gas sector, the construction sector is expected to grow steadily at 4.5 per cent in 2020, with an average growth rate of 7.7 per cent between 2019 and 2023. The construction sector has the greatest potential to sustain this rate in growth between 2019 and 2023 when compared to the probable expansion of the other sectors in the CWD.

The finance, insurance, real estate and business services sector is expected to grow at a higher rate than other sectors in the tertiary sector between 2019 and 2023, making it a key sector to overall economic growth in the CWD. The second largest contributor to GDPR - wholesale and retail trade, catering and accommodation is expected to achieve above average growth rates over the period

D. SPATIAL ANALYSIS

EXECUTIVE SUMMARY AND MAIN FOCUS OF THE WITZENBERG MSDF

The 2019 Witzenberg Municipal Spatial Development Framework (MSDF) – once approved by Council – will replace the current MSDF prepared in 2012. The 2019 MSDF has been prepared within the legislative and regulatory framework set by the national Spatial Planning and Land Use Management Act (ACT 16 of 2013), provincial Land Use Planning Act (2014), and Witzenberg Municipality Land Use Planning By- Law, 2015. It is also directed by a range of policy and guideline documents prepared by different spheres of government, including the Western Cape Government Provincial Spatial Development Framework (2014) and the Witzenberg Municipality Integrated Development Plan (IDP) 2017-2022 (and annual reviews).

Based on analysis of existing patterns of spatial development within the municipal areas, and expected need for different activities to be accommodated over the planning period, the MSDF sets outline spatial policy, plans, proposals, guidelines, and implementation measures for Witzenberg Municipality as a whole and individual settlements within the Municipality.

In its direction, the MSDF has five specific foci:

1. The first is to maintain and protect the integrity, authenticity and accessibility of Witzenberg's natural environment and associated resources. Humanity depends on nature for physical and spiritual sustenance, livelihoods, and survival. Ecosystems provide numerous benefits or ecosystem services that underpin economic development and support human well- being. They include provisioning services such as food, freshwater, and fuel as well as an array of regulating services such as water purification, pollination, and climate regulation. Healthy ecosystems are a prerequisite to sustaining economic development and mitigating and adapting to climate change. The plan provides for activities enabling access to nature in a manner which does not detract from the functionality and integrity of nature and farming areas and landscapes.

2. The second is to maintain and expand the Municipality's key regional and intra-regional infrastructure. Appropriate infrastructure – whether in the form of transport routes or municipal services – is critical to support economic development, agriculture, and livelihoods.

3. The third is to maintain and grow the agricultural assets within the Municipality. Agriculture remains the mainstay of the regional economy and require on-going support. In a spatial sense, this specifically requires protecting high- value agricultural land from urban development.
The opportunity also exists to diversify farm income in a manner which does not detract from the functionality and integrity of farming areas and landscapes, and to expand access to farming to smaller entrepreneurs and emerging farmers.

4. The fourth is to maintain and expand access to Witzenberg's unique sense of people and place.
Important is the recognition and maintenance of unique landscapes, and diverse expressions over time of peoples' interaction with the landscape. Also critical is the SPLUMA principle of "spatial justice"; implying that past spatial and other development imbalances must be redressed through improved access to and use of land, as well as the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, and areas characterised by widespread poverty and deprivation.

5. The fifth is to maintain and expand opportunity associated with Witzenberg's key settlements. Settlements need to be managed and provide for expansion in a manner which enables efficiency in infrastructure provision, integration and compaction to enable better thresholds and more sustainable movement, and protection of surrounding assets of nature and agriculture.

It is anticipated that a major review of the MSDF will occur every five years, in parallel with the municipal IDP. Improvements, amendments, and refinements to the MSDF can occur annually.

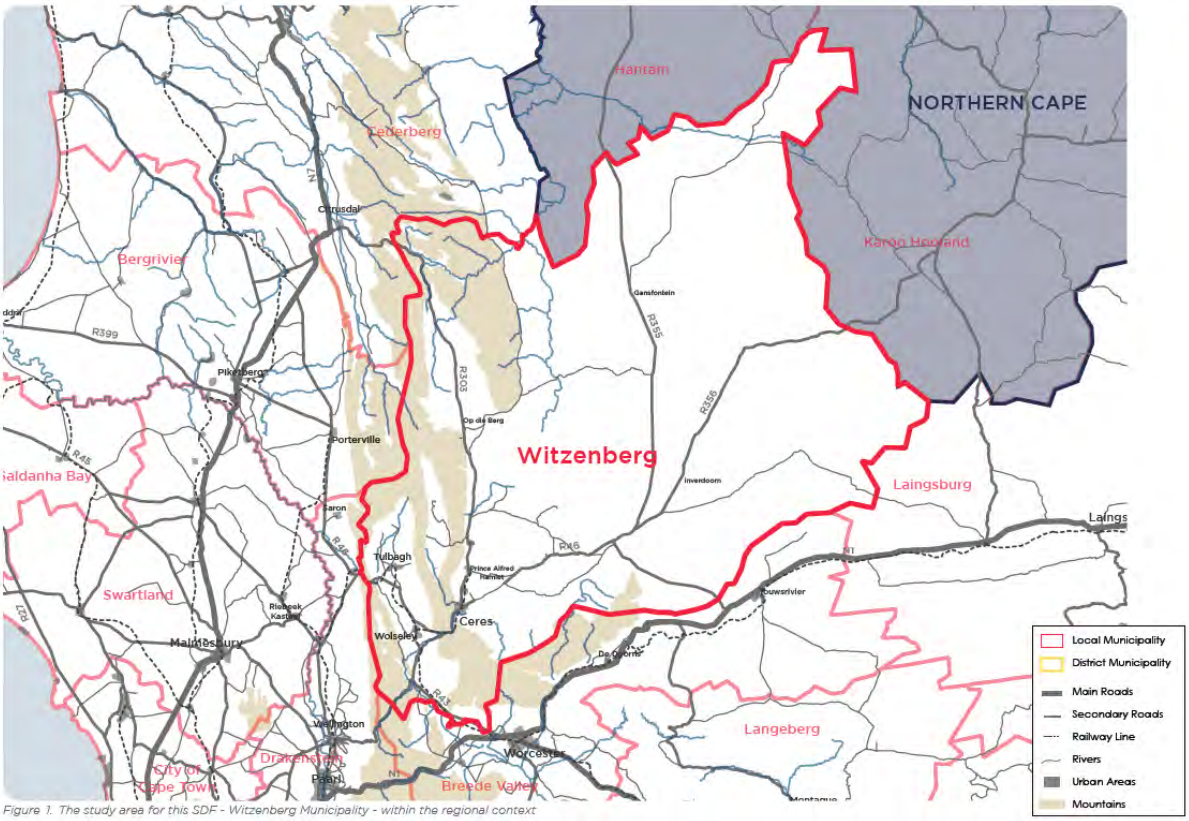


Figure 1. The study area for this SDF - Witzenberg Municipality - within the regional context

REGIONAL CONTEXT

Witzenberg Municipality is situated within the Cape Winelands District (CWD), the largest non-metro district within the broader Western Cape Province economy, contributing 11,7 % towards provincial GDPR and 14.2 % to provincial employment (as per the 2015 statistics recorded in the IDP 2017-2022). CWD is also the biggest producer of stone fruit in the Province, and accounts for approximately 74% of all stone fruit production. The most economic functional areas for the production of stone fruits in this region are the Ceres-Tulbagh area (40%) and the Montagu-Robertson area (39%). Most processors and storage facilities are located in these areas. Finished products are sent from these areas to Stellenbosch, Paarl and Wellington from where it is distributed to retailers. Most of the produce is directly exported (for example, the Du Toit Group exports to 50 countries).

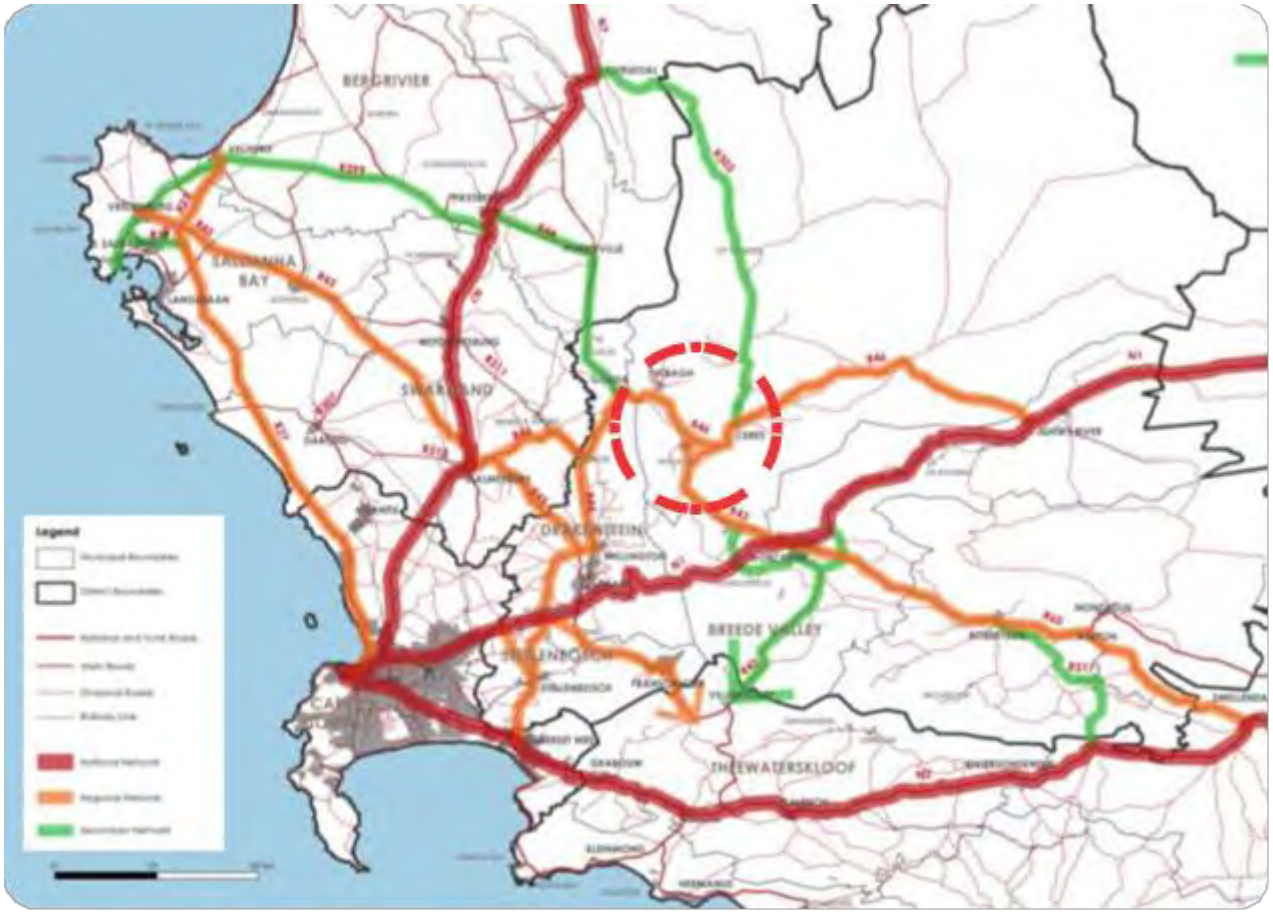
Witzenberg's importance as a functional region within the broader agricultural space economy and its role as a primary regional service center has been recognized through

the identification of a possible Agri-park in Ceres. The area is also situated within one of the PSDF's identified Rural Development Corridors.

Ceres is strategically situated between the N1 and N7 national routes, forming part of the proposed regional road freight network as identified in the Greater Cape Metro and Greater Saldanha Regional Implementation frameworks.
These networks aim to improve linkages from Piketberg via Gouda/ Tulbagh through to Ceres and then linking into the N1 either via Worcester or Touwsriver, placing Ceres at the centre of the regional network.

In addition to WItzenberg's regional agricultural economic role, the area also hosts a high concentration of heritage resources, mountains, mountain passes and unique landscapes, as illustrated in Figure 21. Its position within the region as the primary gateway to the Warm and Koue Bokkeveld and Tanka Karoo also contributes to its strategic position and role in terms of tourism.

The position of Ceres and Tulbagh in relation to the GCM area and the PSDF Rural Development Corridors (GCM RSIF, 2017)



The position of Ceres in relation to the proposed regional road freight network of the Province (GS RSIF, 2018)

PLANS AND SETTLEMENT PROPOSALS

The sections below outline plans and written proposals for:

- Witzenberg Municipality as a whole.
- Individual settlements within Witzenberg Municipality.
- Guidelines for managing specific activities landscape-wide and within settlements.

It is important to remember that the plans constitute one type of planning instrument. Not all of the MSDF objectives or intent can be readily illustrated two dimensionally on a plan. Therefore, the plans are accompanied by descriptions of plan elements and associated proposals. The plans should be read with the written information contained in the descriptions accompanying the plans as well as the policies and guidelines contained in the MSDF. Each settlement plan is introduced by a concept plan, an illustration of the core ideas related to spatial management and development of the settlement.

As indicated elsewhere in this document, spatial plans and proposals can seldomly be fully implemented without supportive actions in other functional areas or sectors. For example, it is doubtful whether the desired form of compact, diverse, inclusive, and walkable settlements will be achieved without parallel supportive initiatives to manage the unimpeded use of private vehicles. For this reason, the plan descriptions also include – where important – related non-spatial proposals.

Broadly – and aligned to the SPLUMA MSDF guidelines – the settlement plans entail three types of actions or initiatives:

- Protective actions – things to be protected and maintained to achieve the vision and spatial concept.
- Change actions – things that need to

change, transformed, or enhanced to achieve the vision and spatial concept.

- New development actions – new development or initiatives to be undertaken to achieve the vision and spatial concept.

Under these broad types of actions, strategic focus areas and settlement elements are dealt with; for example, protective actions will broadly relate to protecting elements of nature, agriculture, scenic landscapes, historically and culturally significant precincts and places, and so on.

WITZENBERG MUNICIPALITY AS A WHOLE

The overall plan for Witzenberg Municipality essentially comprises of:

- Landscape-wide Spatial Planning Categories (SPCs) and associated land use guidelines.
- A settlement hierarchy and associated settlement development and management guidelines.
- Places of cultural and scenic significance.
- Municipal-wide infrastructure.

LANDSCAPE-WIDE SPATIAL PLANNING CATEGORIES

At the broadest level of municipal planning, desired land use patterns are reflected in the delineation of landscape-wide or municipal-wide Spatial Planning Categories (SPCs), namely Core, Buffer, Agriculture and Settlement categories. The definition of SPCs is based on the Western Cape Biodiversity Spatial Plan, 2017 (WCBSP) which delineates the Western Cape's biodiversity network.

In general terms, the definition of SPCs is directed by the understanding that:

- The Western Cape's biological diversity underpins livelihoods, the Province's economy and the provision of ecosystem services. The spatial continuity and connectivity of the biodiversity network strengthens its resilience. Different categories of biodiversity areas indicated in the WCBSP Map and SPCs have specific management objectives, according to their biodiversity priority. In broad terms, the biodiversity priority areas need to be maintained in a healthy and functioning condition, whilst those that are less important for biodiversity can be used for a variety of other land uses.

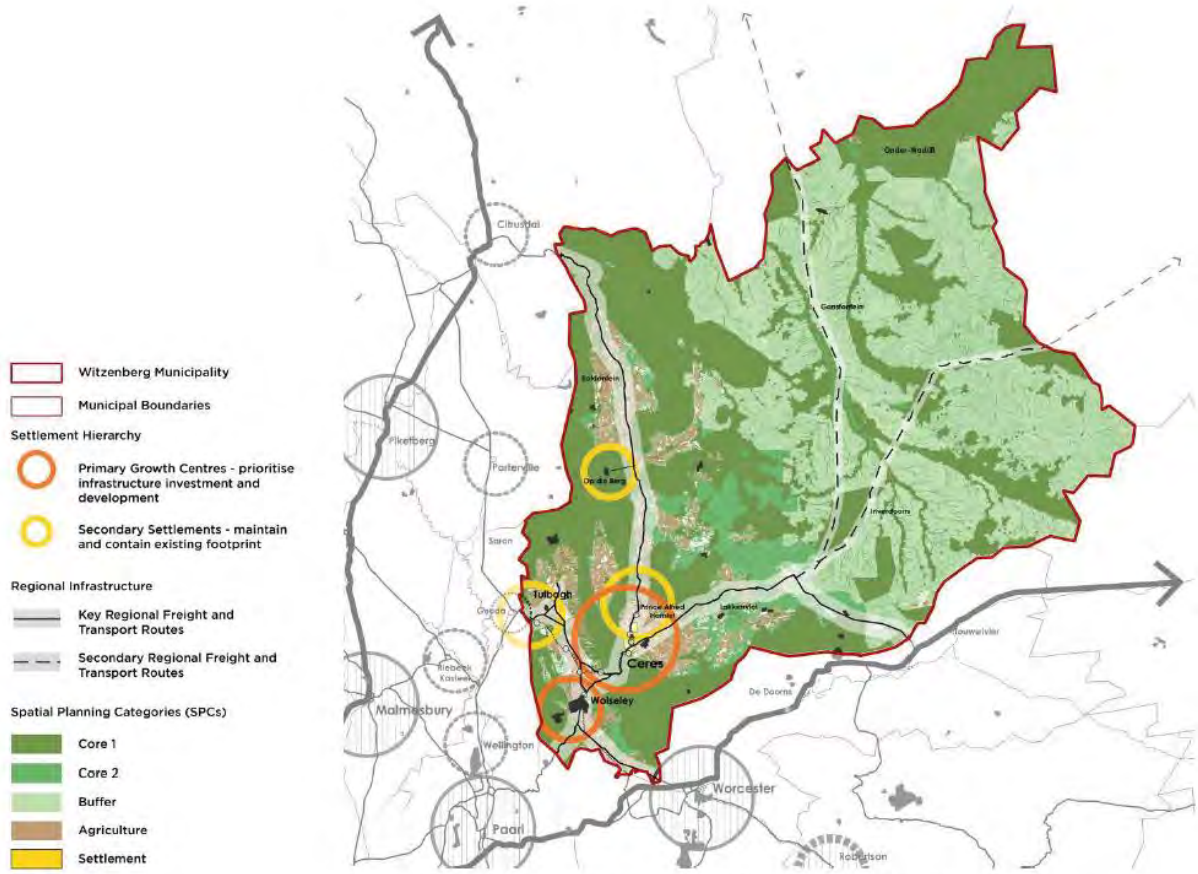
- Cultivatable soils and mineral resources are non-renewable assets, important foundations of the Western Cape economy. As agricultural output is the basis of the Western Cape's rural economy and an important input to the urban economy, safeguarding the Province's agricultural resources, and productively using them without compromising biodiversity, heritage and scenic resources, remains a key challenge. There is limited suitable land available for extension of the Province's agricultural footprint, and water availability limits the use of cultivatable soils.

- Settlements – of different sizes – support critical livelihood opportunity and economic exchange. A key concern is to maintain and grow the efficient functioning of settlements while preventing encroachment into priority biodiversity, agricultural, scenic areas.

The landscape- wide SPCs for Witzenberg Municipality. The tables also list the names of key places which forms part of each SPC, what activities are broadly supported in each category, the activities not supported, and the overall desired form of development in each category.

The activities supported and overall desired form of development in each SPC is based on the guidelines contained in the Western Cape Land Use Planning Guidelines Rural, March 2019. For a fuller explanation of each SPC, the full Rural
Guidelines document should be consulted1.

The guidelines were prepared to establish norms and standards based on evidence and is aligned with international, national, and provincial policy related to the sustainable use of natural resources and agricultural land.



Consolidated Municipal Framework Map for the Witzenberg Municipality as a whole

Landscape-wide Spatial Planning Categories

SPC	DESCRIPTION	KEY PLACES IN WITZENBERG	ACTIVITIES SUPPORTED	ACTIVITIES NOT SUPPORTED	OVERALL DESIRED FORM OF DEVELOPMENT
Core 1	Areas that must be maintained in, or restored to, a natural state in order to sustain biodiversity patterns and processes and the functionality of eco-system services.	• Formal protected areas and Mountain Catchment Areas: Tankwa Karoo NP, Matroosberg MCA, Cederberg MCA, Kouebokkeveld MCA, Winterhoek MCA, Hawequas MCA. • Private nature reserves. • Areas designated by the WCBSP as CBA1.	• Essentially Core areas are "no-go" areas from a development perspective. Human impact must be restricted to ensure that there is no further loss of natural habitat. • Conservation management activities should be encouraged. • Subject to stringent controls biodiversity-compatible land uses that may be accommodated include non-consumptive low impact eco-tourism activities (e.g. hiking trails, bird and game watching, and visitor overnight accommodation); and harvesting of natural resources (e.g. wildflowers for medicinal, culinary or commercial use). • Controlled livestock grazing and game farming must be informed by the habitat type, grazing potential and other site sensitivities. No further loss of natural habitat should occur and lower than standard stocking rates should be applied. • Land consolidation	• Mining or prospecting. • Extensive or intensive grazing. • Conversion of natural habitat for cultivation or forestry. • Large-scale eco-tourism. • Subdivision. • Expansion of settlements.	Small low-density footprints, and temporary structures are preferred with units carefully dispersed or clustered to achieve least impact. The use of alternative porous materials and innovative eco-friendly design concepts are encouraged.
Core 2	Areas in a degraded condition that must be rehabilitated in order to sustain biodiversity patterns and processes and the functionality of eco-system services. Includes areas that support the ecological functioning of critical biodiversity areas.	• Areas designated by the WCBSP as CBA2 or ESA1. • Lower slopes and foothills in Land van Waveren and Warm Bokkeveld. • Degraded reaches of the Groot and Doring Rivers in the Ceres and Tankwa Karoo. • Watercourses and their buffers in the Ceres and Tankwa Karoo.	• As for Core 1 whilst allowing for a limited increase in scale of development in less sensitive areas (provided ecological processes are not disrupted). • Where existing agricultural activities (e.g. extensive livestock or game farming) occur in Core 1 or Core 2 Areas, it needs to be subject to inter alia lower impact practices, lower than standard stocking rates, resting cycles wetland and riverbank protection, and avoiding areas containing red data species.	• Extension of intensive or extensive agriculture. • Mining or prospecting. • Large-scale cultivation. • Urban or industrial development.	As for Core 1. Detailed site-level mapping of habitat conditions should inform the placement of essential buildings or structures in Core Areas. Disturbed footprints should preferably be utilised.
Buffer 1	Large intact portions and remnants of natural or near natural vegetation not designated as Core Areas but in proximity to them.	• Areas designated by the WCBSP as Other Natural Area, in proximity to or adjacent to Core Areas. • Livestock farming areas in the Ceres and Tankwa Karoo.	• Conservation activities as per Core 1 and 2 Areas, including sustainable consumptive or non-consumptive uses. • Extensive agriculture such as game or livestock farming, subject to lower impact practices, sustainable stocking rates, rotational grazing cycles, protection of watercourses, and avoidance of areas containing species of conservation concern. • Development (e.g. structures) in support of both tourism and biodiversity conservation in Core Areas. • Extensive agriculture comprising extensive game and livestock farming, subject to inter alia lower impact practices, lower than standard stocking rates, resting cycles wetland and riverbank protection, and avoiding areas containing red data species.	• Case-specific determination based on impact on biodiversity.	Development should reinforce existing farm precincts and reflect similar vernacular in terms of scale, form and design. In the absence of existing farmsteads, development should reflect compact and unobtrusive characteristics, conforming to local vernacular in terms of scale, form and design. The design of all proposed development should embrace the spatial form, movement patterns, building design and conservation and ecology of the local area.

Landscape-wide Spatial Planning Categories (continued)

SPC	DESCRIPTION	KEY PLACES IN WITZENBERG	ACTIVITIES SUPPORTED	ACTIVITIES NOT SUPPORTED	OVERALL DESIRED FORM OF DEVELOPMENT
Buffer 2	Natural or near natural areas located in an agricultural matrix as the dominant land use.	• Areas designated by the WCBSP as ESA2 or Other Natural Area, located in an extensive or intensive agricultural matrix as the dominant land use. • River corridors on cultivated land in the Warm and Koue Bokkeveld and Land van Waveren.	• Activities and uses directly relating to the primary agricultural enterprise. • Additional land uses to facilitate diversification and "value adding", including restaurant and venue facility, farmstall and farm store, home occupation; local product processing, and tourist and recreational facilities. • Buffer 2 Areas within the "fringe" of settlements can accommodate space extensive uses not suited to location within the urban edge (e.g. regional sports and recreation facilities, tourist facilities); or associated with nuisance and buffer requirements (e.g. waste water treatment plants, cemeteries, solid waste disposal sites, airports, feedlots, quarries and mines, truck stops).	• Case-specific determination based on impact on agriculture and biodiversity.	Building development should reflect the style, scale, and form of the farmstead precinct or farm outpost, their buildings and setting. In the absence of existing farmsteads or farm outposts, development should be compact and unobtrusive, conforming to local vernacular in terms of scale, form and design.
Agriculture	Existing and potential intensive agricultural land where significant or complete loss of natural habitat and ecological functioning has taken place due to ploughing, hardening of surfaces, mining, cultivation, and so on.	• Existing intensive agriculture including irrigated and dry land crop cultivation, primarily in the western parts of the municipal area.	• Activities and uses directly related to the primary agricultural enterprise. • Additional dwelling units to support rural tourism and diversify farm income, to a maximum of 1 additional non-alienable du per 10 ha and 5 per farm. • Additional land uses to facilitate diversification and "value adding", including restaurant and venue facility, farmstall and farm store, home occupation; local product processing, and tourist and recreational facilities.	• Large scale resorts. • Tourist and recreation facilities.	Facilities for ancillary on-farm activities should be in scale with and reinforce the farmstead precinct, enhance the historic built fabric and respect conservation-worthy places (these could be natural areas or areas which are degraded but still provide ecological connectivity and/ or ecosystem services). Fragmentation of farm cadastral units should be prevented, and consent processes and spot zoning employed for managing land uses ancillary to or associated with agriculture.
Settlement	Existing towns, villages and hamlets..	• Ceres. • Wolseley. • Tulbagh. • Prince Alfred Hamlet. • Op-die-berg.	• "Normal" activities associated with urban development.	• New settlement formation that negatively impacts on municipal financial sustainability.	Development should: • Retain the compact form of smaller settlements. • Prevent settlement encroachment into agricultural areas, scenic landscapes and biodiversity- and ecological system service priority areas. • Maintain and enhance public spaces. • Reinforce the close relationship of settlements to the regional route structure. • Integrate new development into the settlement structure. • Respect socio-historical and cultural places.

RENEWABLE ENERGY DEVELOPMENTCORRIDORS

The Strategic Environmental Assessment for Wind and Solar Photo-voltaic Energy in South Africa identified 8 Renewable Energy Development Zones (REDZs) in 2015 that are of strategic importance for large scale wind and solar photo- voltaic energy development including the roll-out of its supporting transmission and distribution infrastructure. New wind or PV projects located within one of the eight REDZ areas will now be subject to a Basic Assessment and not a full EIA process, as well as a shortened timeframe of 57 days for the processing of an Application for Environmental Authorisation.

The Council for Scientific and Industrial Research (CSIR) identified eight geographic REDZ's following a Strategic Environmental Assessment:

NAME	SIZE	PROVINCE
Overberg	5 263 km²	Western Cape
Komsberg	8 846 km²	Western Cape
Cookhouse	7 366 km²	Eastern Cape
Stormberg	12 041 km²	Eastern Cape
Kimberley	9 568 km²	Free State & Northern Cape
Vryburg	9 204 km²	North West
Upington	12 833 km²	Northern Cape
Springbok	15 214 km²	Northern Cape
Total	**80 335 km²**	

The Witzenberg Municipality forms part of the Komsberg REDZ. Any projects or renewable energy developments in the municipal area should preferably be located inside of this boundary, however, proposals for renewable energy developments outside of this boundary will be considered on a case by case basis based on its own merits.

The location of the Komsberg REDZ area within the Witzenberg Municipality

E. FINANCIAL VIABILITY

Capability of the municipality to execute capital projects

Only 11% of the capital budget for the medium term will be financed from own sources. The rest of the capital budget will be financed from grant funding (89%).

Only funded capital projects are included in the capital budget. The only major project not executed in the past was the bulk raw water provision in Tulbagh due to no responsive bids being received during 2019-20 financial year.

Indigent support (including free basic services)

The equitable share allocation is utilized to fund the provision of free basic services to indigent households and informal areas.

The development of plots and building of RDP houses is a challenge to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services.

In addition to the legislative R15 000 exempted valuation on a property, the first R105 000 of the municipal valuation of all residential properties are exempt from property rates.

Indigent households receive 50 kWh of electricity and 6 kilolitres of water per month while their basic charges for water refuse and sewerage are fully subsidised.

Indigent households with conventional electricity and/or water meters will be converted to prepaid meters to avoid over consumption, subject to affordability to the municipality.

Revenue enhancement and protection strategie

The revenue must be increased to ensure that Witzenberg Municipality can meet all the financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality, but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Consumers with conventional water meters who do not pay their municipal accounts will be converted to prepaid meters to avoid increased outstanding debt in respect of water, subject to affordability to the municipality.

Municipal consumer debt position

The impairment provision for debtors have been emphasised by the office of the Auditor-General of South Africa.

The increase in the provision is due to:

- Limited credit control procedures available in areas where Eskom is the service provider for electricity.
- Limited application of the credit control procedures to indigent households.
- Community resistance to the cutting of electricity in certain areas. Assistance from the South African Police Service is needed.

Grants and subsidies

Grants and subsidies are used for their intended purposes as per the Division of Revenue Act and/or Provincial Gazettes. The equitable share allocation is utilised to fund the provision of free basic services to indigent households and informal areas. Grants and subsidies are utilised to finance 89% of the capital budget. Most of the capital expenditure financed from grants and subsidies are in respect of the provision of infrastructure for new low-cost housing projects.

Municipal Infrastructure Assets and Maintenance (Q&M)

The expenditure on repairs and maintenance needs to be increased. The limited revenue base of the municipality limits the amount of funding that can be earmarked for repairs and maintenance.

It is accepted that it is important to maintain municipal assets; therefore the funds available for repairs and maintenance are increases on an annual basis.

The implementation of MSCOA (Municipal Standard Chart of Accounts) regulations will improve the reporting on spending on repairs and maintenance.

Provision is made in the capital budget for the replacement of certain assets that are beyond repair, such as the streets in Tulbagh. This is however an expensive process and will be done over the long term, starting from the 2017/18 financial year.

Current and planned borrowings

Current borrowings are on the decline as no new loans were sourced in the recent past. The loan from the Development Bank of South Africa for the Koekedouw dam was redeemed during the 2016/17 financial year. The outstanding loans will be R10,6 million at 1 July 2017. The last of the current loans will be repaid during the 2017/18financial year.

New loans to the value of R3,0 million are proposed for the medium term to finance the procurement of vehicles.

Municipality's credit rating

No official credit rating has been performed, but the financial indicators show positive movement during the last four financial years.

The cost coverage ratio declined from 2.6 months to 1,8 months, indicating that the municipality's cash and cash equivalents can cover the operating expenditure for 1,8 months.

The current ratio declined from 2.22:1 to 2.01:1 from 2018 to 2019, indicating that for every R1 owed in current liabilities, the municipality has R2.01 in current assets available. Although the ratio declined slightly, it is within the acceptable norm of 2:1. An Improved ratio will result in an increased ability of the municipality to settle its debt when it becomes due. A positive liquidity position can also result in better interest rates being obtained if new loans are sourced, and can also provide confidence to companies that consider investing in the Witzenberg area.

Employee-related costs (including Councillor allowances)

The employee-related costs, including Councillor allowances, account for 35% of the operating expenditure over the medium term.

More post need to be filled to meet the demand of service delivery due to the growth of households that needs services. Any decrease in the mentioned ratio will impact negatively on service delivery.

The salary increase of permanent employees is negotiated nationally, limiting the municipality's influence over the annual salary increase. Councillors are remunerated in terms of national legislation as per annual Government Gazette publications.

Supply chain management (SCM)

Supply chain processes are followed in terms of the Municipal Supply Chain Regulations. Bids are awarded in term of the points scored according to the Preferential Procurement Policy Framework Act.

The Preferential Procurement Policy Framework Act provides for the awarding of bids in terms of price and the B-BBEE status level of the bidder. The B-BBEE status level means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Act.

The Preferential Procurement Policy Framework Act does not provide for any preference for local suppliers.

In some instances, bids are not awarded to the lowest responsive bid due to the requirements of the abovementioned legislation.

F. DISASTER MANAGEMENT

The Chief: Fire Services and Disaster Management was appointed on 1 February 2013. Disaster Management Advisory Committee meetings at a district level are attended regularly and a Disaster Management Plan has been drafted. Public awareness and preparedness sessions for disaster related activities were conducted with a special focus on risk communities in informal settlements regarding the hazards of fires and floods, climate change, etc. The draft Disaster Management Plan was workshopped with relevant stakeholders.

A fully established and functioning Municipal Disaster Management Centre (DMC) is a key element of this plan. Therefore the Witzenberg Municipality consults with and operates in close collaboration with the Cape Winelands District Disaster Management Centre. The completion of the Cape Winelands District-based Disaster Management Operating Centre in Worcester will serve the district's base needs.

In any event requiring DMOC activation, the primary role-players, such as disaster management representatives from both CWDM and the Witzenberg Municipality, the coordinator from SAPS, an EMS representative and any other sectorial representative are activated to these centres and coordinate all activities from this DMOC. Due to the regular occurrences of major events (e.g. floods) this DMOC is well established and functions effectively.

Various disaster risks for the Witzenberg Municipality have been identified and assessed during risk assessments executed during 2005 (technological) and 2008 (community based). The risk assessment was done by Africon Engineering and CPUT respectively on instruction of the CWDM for all municipalities falling within the auspices of the district. The technical risk and vulnerability assessment by Africon led to the following profile:

Risk prioritisation table for Witzenberg Local Municipality

Hazard	***Exposure***	***Severity***	***Probability***	***Actions needed***
Drought	*Occasional*	*Moderate*	*Normal*	*Preparedness Planning*
Earthquake	*Occasional*	*Moderate*	*Normal*	*Preparedness Planning*
Fire	*Occasional*	*Insignificant*	*Unlikely*	*Risk Reduction interventions and Preparedness*
Flood	*Seldom*	*Insignificant*	*Unlikely*	*Preparedness Planning*
Severe Storm	*Seldom*	*Moderate*	*Unlikely*	*Preparedness Planning*
Tuberculosis	*Continuous*	*Moderate*	*Normal*	*Risk Reduction interventions and Preparedness*
HIV /AIDS	*Continuous*	*Moderate*	*Normal*	*Risk Reduction interventions and Preparedness*
Hazmat accidents by road	*Seldom*	*Insignificant*	*Unlikely*	*Preparedness Planning*
Air Pollution	*Occasional*	*Insignificant*	*Unlikely*	*Preparedness Planning*

Risk Assessment

The following table can be used as a template to reflect risk assessment outcomes in the IDP:

Risk	***Dept 1***	***Dept 2***	***Dept 3***	***Dept 4***
Risk A: *Fires*	*Fire Services Witzenberg and CWDM*	*Housing*	*Provincial Social Services*	
Risk B: *Floods*	*Disaster Management*	*Engineering Services*	*Traffic Services*	*SAPS and EMS*
Risk C: *Transportation of dangerous goods (rail and road)*	*Provincial Roads*	*Western Cape Province*	*Dept Health CWDM: Health*	

These main risks are taken from the risk assessment tables of both Africon and the community-based assessments, as they are the main commonalities derived from the specific risk assessments.

Fire Services Department

In terms of the Municipal Structures Act, B-Municipalities such as Witzenberg are responsible for all structural fires within their municipal area. The Cape Winelands District Municipality is currently assisting Witzenberg through an unofficial inter-governmental agreement to assist with this function. It is the objective of the municipality to incrementally over a five-year period establish a fire brigade service in terms of the firefighting functions and in accordance with SANS 10090: 2003. This will effectively mean the establishment of a 24-hour facility for the eastern area (Ceres, N'Duli, Prince Alfred's Hamlet and Op-die-Berg) that will drastically improve reaction time. The municipality has started with the extension of this function to the western area (Wolseley and Tulbagh) and the eastern area (N'Duli). Full-time staff and Working on Fire firefighting personnel and equipment were relocated to Tulbagh and N'Duli for these purposes. A Manager Fire Services and Disaster Management and a Station Officer for Fire Safety and Fire Operations were appointed. The recent consultations with stakeholders at Op-die-Berg highlighted that there is a need to appoint firefighters and allocate equipment and vehicles to this area.

Risk reduction

Fire risks

Risk reduction in respect of fire risks is not really possible, although the enforcement of building plan codes takes place and all building plans are scrutinised for fire safety requirements. Mountain and veld fires, fires in informal structures and dwellings form the general basis of fires in accordance with fire statistics. The Planning for Fire Services is included in a Fire Protection Plan that is submitted annually for consideration and approval by the Witzenberg Municipal Council. It must be noted that municipalities need to do planning and evaluate budgetary priorities from the wards in accordance with national and provincial strategic objectives.

The Department of Cooperative Governance and Traditional Affairs (CoGTA) assesses the progress made by municipalities against five key performance areas (KPAs) and cross-

cutting interventions adopted in the Five-year Local Government Strategic Agenda.

These elements will become the basis of priority determination when evaluating priorities during the IDP process, project identification and compilation of a budget. This in effect implies that municipal performance will be measured in terms of these standards.

As disaster management is not a function allocated to one discipline, but to all disciplines in a local authority, it implies that the total budget must be evaluated for inclusion of Disaster Mitigation Projects. For instance, the provision of housing will be a disaster mitigation project as it implicates the reduction of informal structures. The provision and extension of electrical power in accordance with needs is a disaster mitigation project as it decreases the effects of dwellings without power (e.g. dangers with open fires) with all its consequences.

Floods

The Witzenberg municipal area is prone to floods. Over the past decade, flooding occurred at least once a year. Due to the effects of global warming and climate change with resultant cut-off lows, is has become increasingly difficult to forecast or predict critical time periods and/or affected areas.

As stated in the Spatial Development Plan, the Planning and Development Section takes cognisance of the effects and do their planning accordingly in the face of undetermined or ambiguous flood lines in some areas.

Response and recovery

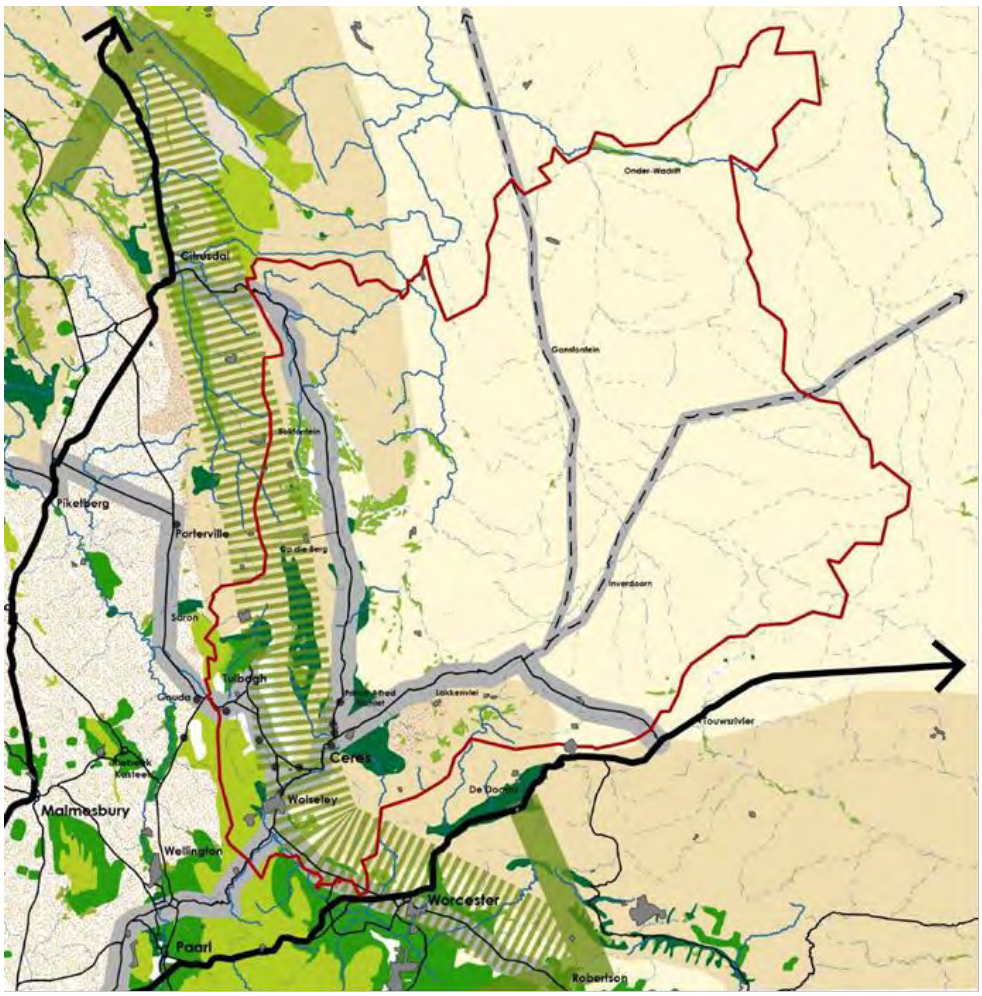
Due to the fact that flooding and other events occur frequently in this area, there is a good understanding of the different roles allocated to the different sectors during any event of disaster potential or consequences. This is managed and coordinated by the immediate activation of a DMOC (Disaster Management Operational Centre, situated in Munnik Street in Ceres), in conjunction and cooperation with the Cape Winelands District Municipality.

G. AGRICULTURE IN THE WITZENBERG AREA

Focus: Protect food security while supporting sustainable diversification of the agricultural sector and encouraging more efficient methods and models.

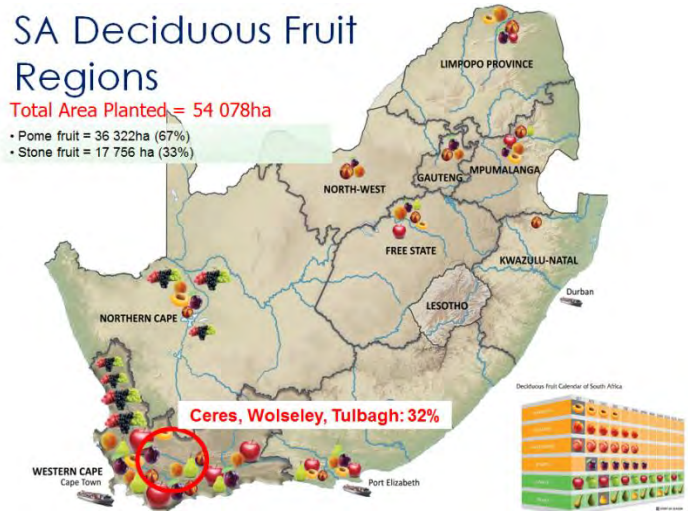
Key Development Implications:

- Support private sector led institutional arrangements to enable joint planning and development of agriculture related activities.
- Avoid the subdivision of agricultural land or changes in land-use to minimise the loss of agricultural activities while also avoiding the creation of uneconomical agricultural units.
- Enable the diversification of farmer income through enabling complimentary uses on farms in a manner which does not detract from the functionality and integrity of farming areas and landscapes.
- Develop incentives for smarter/ green agricultural practices and technologies.
- Make municipal commonages and land on the edges of settlements close to communities available for small/ emerging farmers and/or community gardens.
- Support alternative farming models such as the possibility of transforming unused and uncontaminated industrial land into community gardens.
- Support private initiatives to provide in the housing needs of agri-workers and the provision and management of associated social services.



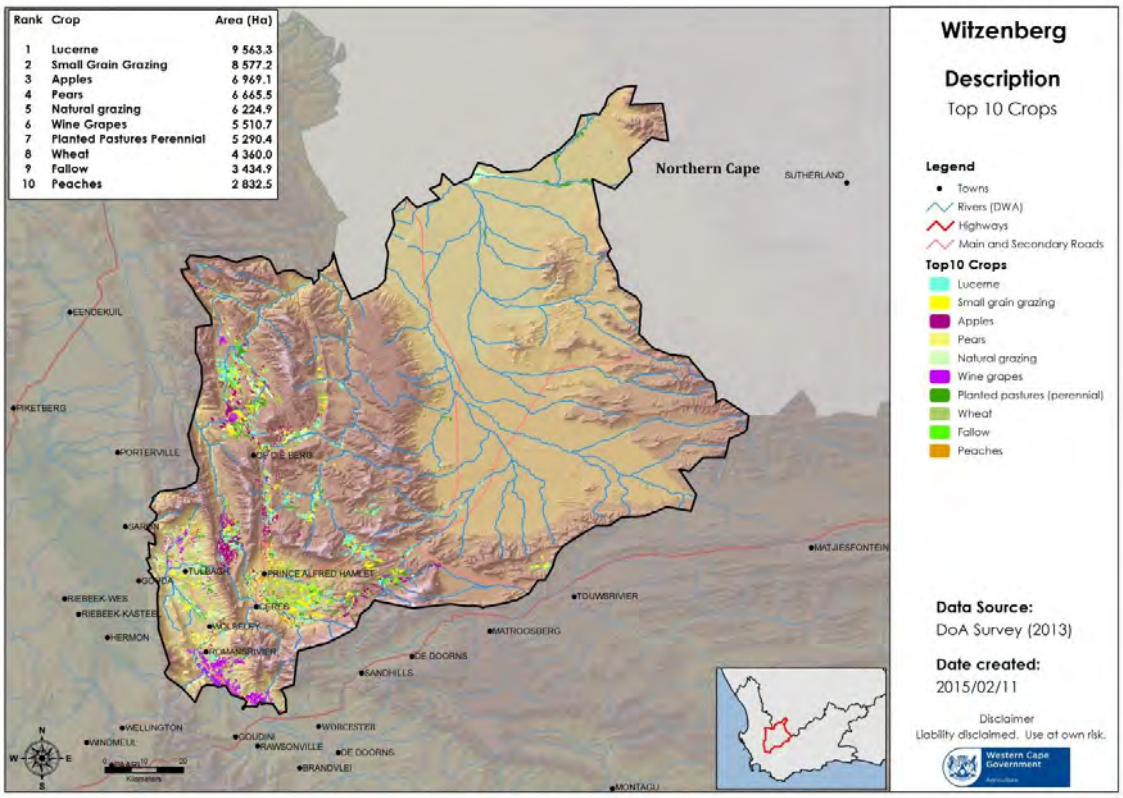
Agricultural Concept for Witzenberg - showing key farming areas, production types and supporting infrastructure concentrated along the agricultural band along the western edge of the municipal area
Deciduous fruit is the dominant product

1. Primary
   i. Deciduous: Apples, Pears, Nectarines, Peaches, Plums, Apricots
   ii. Onions
   iii. Potatoes
   iv. Cattle and sheep
   v. Butternuts
   vi. Wheat
   vii. Forestry
   viii. Horses

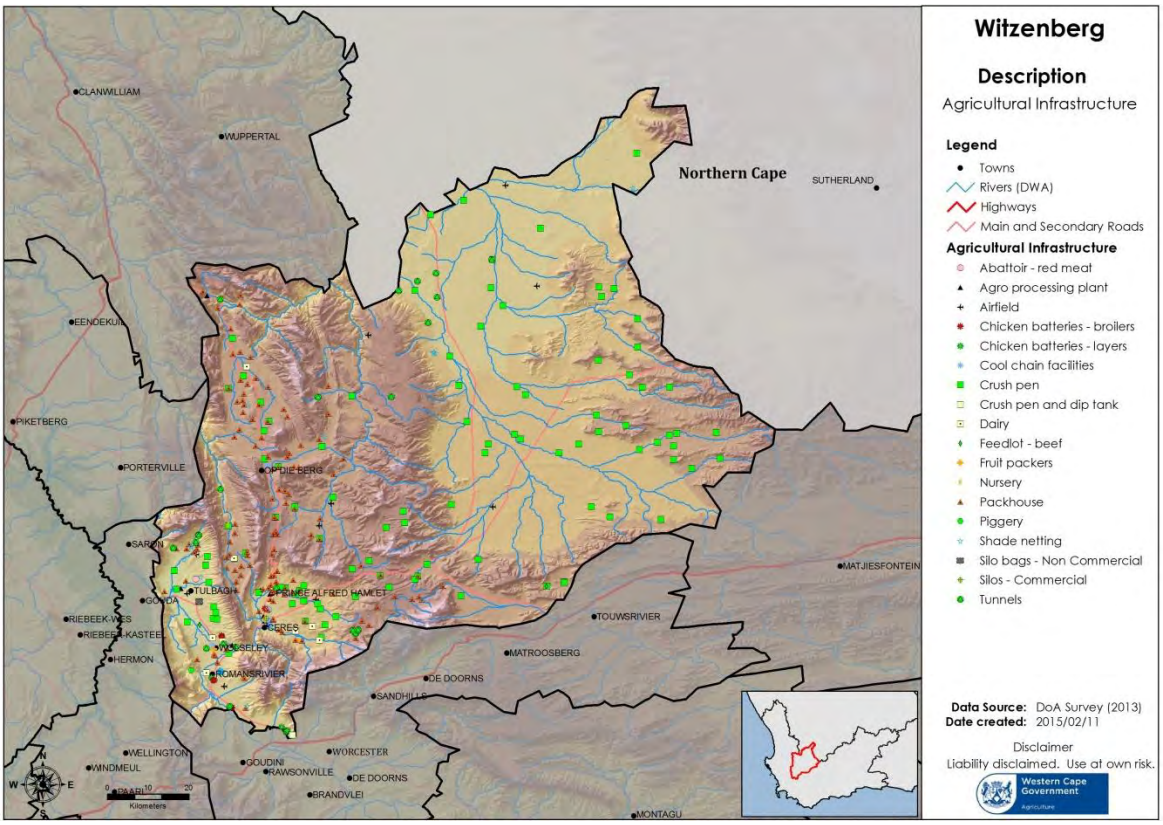


2. Secondary
   i. Cold storage
   ii. Packing houses
   iii. Concentrates and Puree
   iv. Single Strength Products
   v. Dried fruit products
   vi. Logistics
   vii. Agri Chemical
   viii. Agri Mechanical
   ix. Technical, admin and financial services
   x. Plant material (nurseries)

Top 10 crops by area



Agricultural Infrastructure



Economic Contribution

This sector comprised R1,2 billion (or 19,7 per cent) of the municipality's GDP in 2015. It displayed steady growth of 2,5 per cent for the period 2005 – 2015, but growth has nevertheless become stagnant in the post-recessionary period (the sector experienced a growth rate of 0,3 per cent over the period 2010 – 2015). Agriculture employed 34,9 per cent of the municipality's workforce**.**

Employment growth over the period 2005 – 2015 has contracted by 2,0 per cent per annum on average. Employment picked up significantly after the recession and grew at a rate of 3,5 per cent per annum on average since 2010. On net employment, the sector has been the only one with net job loss since 2005, recording 5 829 jobs lost since then. Despite the good growth rates in all sectors from 2010 – 2015, a recovery of all the jobs will take a long time. The labour force in the primary sector is characterised by a relatively large proportion of unskilled labour. The majority (64,6 per cent or 14 136 workers) of the workforce in agriculture operates within the low-skill sector, which has experienced a contraction of 2,7 per cent and a net job loss of 4 653 jobs since 2005. However, the sector grew by 3,4 per cent per annum over the post-recession period (2010 – 2015).

The semi-skilled sector employs 3 005 workers (13,7 per cent) and the sector has grown at a rate of 4,0 per cent per annum since 2010 but experienced a contraction of 2,1 per cent per annum over the long term (2005 – 2015). The skilled sector employs the smallest proportion of the industry workforce (2,9 per cent or 643 workers). This segment has shown robust growth post-recession (4,4 per cent per annum), but a 1,7 per cent per annum contraction over the long term (2005 – 2015). The informal sector makes up 18,7 per cent of the industry workforce and was the only sector to experience long-term growth (albeit marginal) as

employment grew by 1,5 per cent per annum over the period 2005 – 2015. Informal employment in the agriculture industry furthermore experienced solid growth of 3,6 per cent per annum since 2010.

Agriculture in the Witzenberg Area anticipates a growth per year for next five years – Primary: 5% - 8% ±, Secondary and Processing: 10% ±

Factors influencing anticipated 5% - 8% growth per year for next five years	***Exciting new Agri opportunities may stimulate extra growth***
1. Water *i. Permits* *2. World Economy – exports* *i. Exchange rates* *ii. Economic growth, specially Africa* *iii. New markets* *iv. Market access* *v. Access to affordable finance* *3. Climate change – expect more records!* *4. Switching to higher income product lines* *i. Vineyards to pears and plums* *ii. Apples to cherries and berries* *5. Mechanisation* *6. Stable and effective government* *7. Consolidation of Agri businesses* *8. Research and Development* *i. New cultivars* *ii. Internet of things*	*1. Agriculture in Western Cape is high priority – and well positioned* *i. Right products* *ii. Good location* *iii. Investor confidence* *iv. Expect government support* *2. New technology* *i. Faster breeding of better products* *ii. New growing techniques* *iii. Use of IT and Apps* *iv. Internet of things* *3. Covered production* *i. Security for investor and supply chain* *ii. Sunburn and hail* *4. PALS initiative – a community in harmony* *i. Strategic high importance* *ii. Support from the state* *iii. Transformation through growth* *iv. Turnaround of under-performing schemes* *v. Working together with the municipality: "a comprehensive rural development desk" – a shared vision*
Main factors that put anticipated growth at risk	
1. Electricity: Stability of network and access for new projects *2. Infrastructure* *i. Roads for sensitive high value products – plan for increase flow!* *ii. Maintenance of existing irrigation schemes* *iii. New irrigation schemes* *3. Labour/civil unrest* *i. Services – Specially waste management and risk to health and contamination* *ii. Housing for agriculture workers - NB* *iii. Code of best practice* *4. Training and development of labour* *i. Productivity levels* *ii. Minimum wage* *iii. Working smarter with new equipment and new products* *5. Too much red tape and slow processes dealing with authorities* *6. Thread to Land as security* *7. Investor confidence*	

Special acknowledgment to Mr Pieter Du Toit - Managing Director: Dutoit Group

H. SPECIAL PROGRAMMES

WITZENBERG MUNICIPALITY DISASTER MANAGEMENT PLAN FOR COVID-19

The Witzenberg Municipality Disaster Management Plan for Covid-19 aims to identify strategies to protect the Witzenberg Municipality workforce and general community, and minimise the impact of Covid-19 pandemic.

During a pandemic, the Witzenberg Municipality's priorities are to:

- maintain the essential services that Council provides to the community;
- communicate with the community about Council core business;
- support other government agencies to manage the impact of a pandemic.

The Witzenberg Municipality's response to a pandemic will be guided by advice from the National Department of Health and other emergency service providers. As it is not possible to accurately predict the behaviour of a pandemic in advance, this plan identifies strategies and resources that may be utilised to cover all likely scenarios.

The plan identifies the responsibilities of those in the organisation with a key role in managing the Witzenberg Municipality response to a pandemic, as well as those with responsibilities for providing essential services and support services. Producing the plan is only one part of the overall preparedness for Covid-19 pandemic – it must be communicated to stakeholders, tested, and revised as required. A strategy is already underway to communicate the plan to all major stakeholders, including consultation, individual briefings and exercises.

Objectives

The Witzenberg Municipality Disaster Management Plan for Covid-19 aims to:

- Identify measures and mitigation strategies to protect the Witzenberg Municipality workforce and community, and minimise the impact of Covid-19 pandemic.
- Prepare and have arrangements in place to reduce the impact of pandemic.
- Contain and prevent transmission, implement infection control measures, and provide support services to council employees.
- Maintain essential municipal services through the provision of business continuity in the face of staff absenteeism and rising demand on local government services.
- Assist in providing mass vaccination services to the community, if a Covid-19 pandemic vaccine becomes available.

- Develop media and communication messages, in line with whole of government messages, to inform the community and staff of any changes to normal services.
- Coordinate the Municipalities actions with those other agencies and organisations to manage community consequences of a pandemic.

The Municipality's Role and Responsibilities

In addition the Witzenberg Municipality responsibilities under the Disaster Management Act, the Witzenberg Municipality responsibilities under the Disaster Management Plan for the Covid-19 Pandemic Plan are:

- Distribute warnings and other relevant advice to the community, ensuring consistency with messaging from the Western Cape Department of Health and the Western Cape Disaster Management Centre.
- Develop and implement strategies to minimise the effects of pandemic on vulnerable populations
- Provide regular information/situation reports to the Cape Winelands District

Municipality and the Western Cape Disaster Management Centre.

- Provide liaison officers to the Western Cape Disaster Management Centre (WCDMC) when requested.
- Maintain essential services to the community, as detailed in Witzenberg Municipality business continuity plans.

Activation of the Disaster Management Plan for Covid-19

- The activation of the Witzenberg Municipality Disaster Management Plan for Covid-19 will coincide with the activation of the WCDMC Covid-19 Pandemic Plan. The Head of the Disaster Management Centre will activate the Provincial Plan on advice from the Department of Health.
- The Head of Centre (WCDMC) may also consider activation of the Covid-19 Pandemic Plan when advice is received that the person responsible at the Western Cape Department of Health that is issuing Pandemic Health Alerts.
- The District Disaster Management Head of Centre of Cape Winelands is responsible for activating regional plans and coordinating regional emergency operations, including the opening of the District Disaster Management Centre.
- During the activation of the Witzenberg Disaster Management Plan for Covid-19, the dissemination of information in relation to the pandemic including warnings, health advice and other messages to stakeholders and the community, will be coordinated through the Western Cape Disaster Management Centre and the Provincial Public Information Officer to maximise the distribution and consistency of messages.
- The activation of Witzenberg Municipality Disaster Management Plan for Covid-19 is the responsibility of the Witzenberg Municipality's Manager Fire, Rescue and Disaster Management, supported by the Municipal Crisis and Emergency Management Team and the Response & Recovery Team.
- The Witzenberg Municipality will control the health response to the pandemic in accordance with the arrangements in the Western Cape Department of Health's response plan.

Institutional Arrangements

The management of the spread of COVID-19 requires systematic coordination, communication and cooperation. The municipality established a local committee and will participate in the existing District Operational Committee to facilitate a coordinated response and flow of information. The municipality will:

- Work with all organs of state, local community-based health organizations and other civil society organisations.
- Collaborate with and participate in the Provincial Joint Operational Committees for flow of information in this regard.

JOINT DISTRICT APPROACH

In September 2019, National Government has launched the District Development Model after approval by Cabinet on the 21st of August 2019.

The new district-based model for development will synchronise planning by all spheres of government and involve citizens and civil society in the development of South Africa's 44 municipal districts and eight (8) Metros. This coordination will require – with effect from the 2020/21 Budget cycle – which national budgets and programmes are spatially referenced across the 44 districts and 8 Metros. Similarly, provincial government budgets and programmes will be spatially referenced to districts and metros in the respective provinces, while municipalities will express the needs and aspirations of communities in integrated development

plans for the 44 districts and 8 Metros. This shift in planning is expected to narrow the distance between citizens and engender active participation by citizens in development, and enable long-term planning as well as responses to immediate "burning" issues.
In response, the Western Cape government has developed the Joint District Approach.

Joint District Approach, supported by governance instruments, is advanced for developmental local government and sustainable service delivery premised on a common denominator of good governance. It is a geographical and team based, citizen focused approach to provide a series of government services (underpinned by characteristics of developmental local government and good governance).

Provincial/District Interface Teams has been developed consisting of the following:

- Team leaders per District – Dept. of Local Government
- Municipal Representatives – District & local government
- Provincial Representatives
- Draft Terms of Reference has been completed

The JDA promotes collaboration using District Coordinating Forums as the governance instruments for co-planning, co-budgeting and co-implementation to strengthen service delivery to communities,
Each district team should work towards:

- The identification of strategic and planning priorities as well as service delivery challenges within each district.
- Use of DCFs as planning and reporting platforms.

The Joint District Approach Implementation Plan for Cape Winelands includes the following critical projects:

- Community Safety Plan
- Waste Management (priority project)
- Regional Waste Management Facility: Conduct a Section 78 investigation and implement the recommendations
- Review of Integrated Waste Management Plan
- Develop Acceptable Diversion Strategies
- Waste Management Conference
- Managed urbanisation approach for CWDM
- Improving Resilience
- Climate Change
- Water Security
- Energy Security
- Financial Sustainability
- Develop and implement a District Plan to address unemployment and related challenges
- Working Group established to draft a Concept Paper on Data Governance
- Inter-Governmental Relations structures mapped and recommendations proposed for rationalisation
- Communication Plan developed and implemented
- N1 De Doorns: Private Sector involvement in JDA

VIII. RSEP/VPUU

Regional Socio-Economic Programme (RSEP) / Violence Prevention through Urban Upgrading (VPUU)

The Regional Socio-Economic Programme and Violence Prevention through Urban Upgrading Programme **(RSEP/VPUU Programme)** is an intergovernmental programme run in the Western Cape. The programme will comprise a variety of projects, driven by different role-players, including municipalities, provincial departments, the VPUU Not for Profit Company (VPUU NPC) and communities.

A core component of the programme is to promote learning and to mainstream lessons learnt, best practice and opportunities for replication in municipalities and towns.

The RSEP/VPUU Programme is about a capable state partnering with active citizens, communities and other stakeholders to plan and implement projects that improve quality of life. The majority of projects funded through the programme will be local and precinct-based, and these will mainly be urban upgrading projects that involve the development of physical infrastructure.

Infrastructure projects are supported by social projects that focus on providing activities, programmes or facilities for specific groups or address social challenges within communities, such as early childhood development, education, safety, economic development or social cohesion. All of the projects will be identified at municipal level through a collaborative process involving many stakeholders.

The scope of the actual work being undertaken under the RSEP/VPUU Programme operates at different scales and is grouped under eight streams. Under each of the streams, there are one or two overarching goals that indicate the broad intentions of the work undertaken within that stream as well as a few objectives, which indicate some of the steps that may be taken to achieve the goal(s).

An amount of R4 million was approved for implementation of RSEP projects over the next two years. The projects will focus on mobility with surfaced pedestrian routes that would provide safe and dignified access to pedestrians and cyclists from the areas of Bella Vista and N'Duli to Ceres. Through the implementation of various projects in these areas, Witzenberg will be a co-funder, as included in the 3-year capital budget.

IX. TWINNING AGREEMENT WITH ESSEN MUNICIPALITY IN BELGIUM

Implementation of Waste Management Strategy with support from Essen Gemeente, Belgium

Witzenberg has a well-established, long-term twinning agreement with the Essen municipality in Belgium.

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish programme on youth development and upgrading of open spaces. A federal programme focusing on waste management will be implemented in 2017/18.

The federal programme will support the implementation of a new Waste Management Strategy for Witzenberg, with the focus on the construction of a material recovery facility and drop-off points in each of the towns that will replace the garden refuse skips.

The value of contribution from the Belgium Federal Government amounts to 250 000Euro that will be implemented over a five-year period.

Special recognition is given to the Essen Gemeente (Council), officials and the VVSG (Vereniging van Vlaamse Stede en Genote) for their assistance and management of the programme

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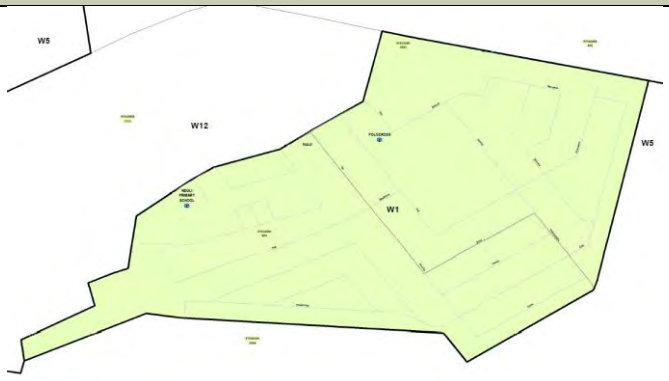
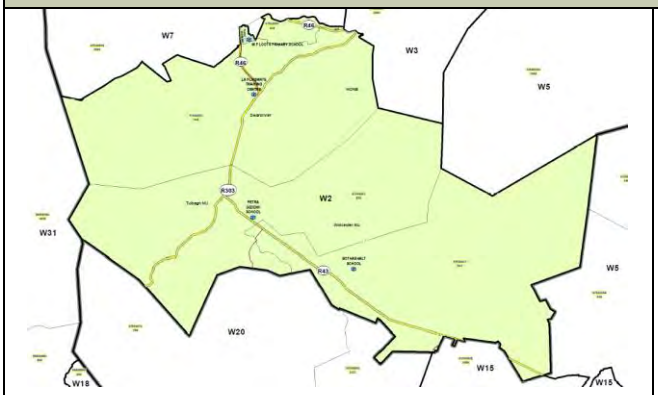
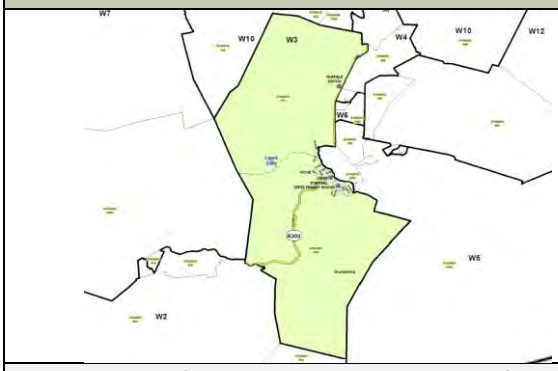
I. IDP PUBLIC NEEDS ANALYSIS

Wards 1 and 12	
	
Provide street/security lights in unsafe areas More secure fencing at public facilities Upgrading of older streetlights Better dialogue in future with the youth Water resources for small farmers Policies must be communicated with the community Safe “walk way” / bridge between N’Duli and Vredebes Ongoing programmes on speed control	Skips programme needs to be sustained Sewer network needs to be improved Sports grounds needs to be restored/ upgraded Electrical theft needs to be clamped down Mini CBD to be developed in N’Duli Implementation of recycling projects/ programmes NYDA and EPWP needs to be linked Transfer of title deeds

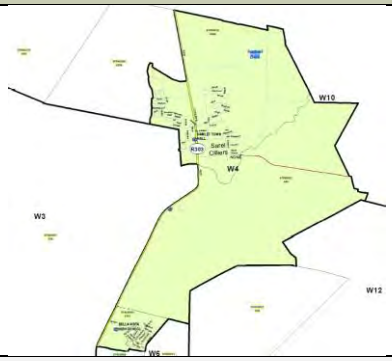
Combat erosion on sidewalks and streets (rehabilitation) Community facilities need to be upgraded Rehabilitation of graveyard and fencing More prepaid electricity selling points Mobile Clinic Services – Tankwa Karroo Area Maintenance of roads Satellite connectivity in rural areas, emergency and law enforcement connectivity Television connectivity for rural areas Resource farm watch Information signage along gravel roads in Tankwa Karroo Area Television and network connectivity in the Tankwa Karroo Area Livestock Theft Unit to have more Programms in the Tankwa Karroo Area	Rehabilitation of playgrounds and parks Development programmes for women and persons with disabilities Police station for N'Duli Hostel facilities for primary school children in Tankwa Karroo Area ABET facilities in the Rural Areas Substance abuse in rural farming areas Rest areas on rural roads, maintenance, district to stop cutting down trees District Municipality to rehabilitate rest areas along farming main routes Solar/renewable energy for farm houses Firefighting volunteers Water Security Programmes for communities living in the Tankwa Karroo Area

Wards 2 and 7	
	
Pine Valley library and swimming pool Bathroom facilities in the graveyard areas Secure fencing at the graveyard Relook Indigent Policy Substance abuse escalating under scholars Illegal shebeens and off-sales Dilapidated houses used for criminal offences Job creation programmes Back yard dwellers still a problem, housing need Foreigners' activities (illegal) still a problem Bathroom facilities at informal settlements Wolseley requires a fire station Neighbourhood watches in all areas RDP houses are being sold to foreigners Drop-off and pick-up points at die Bossie, as you enter Wolseley Communal and church plots at Kluitjieskraal	The Municipality are requested to establish more platforms apart from the Ward Committees to better communicate with communities e.g. street committees, block committees The water canal in Wolseley still a safety concern A concern on the education levels of Breederiver farming area, a need for training programs for people in these rural areas More Tourism programs to be rolled out Upgrading of the Wolseley entrance landscape/signage Building a playpark in Kluitjieskraal and Pine Valley Upgrading and maintenance of Montana Sports grounds

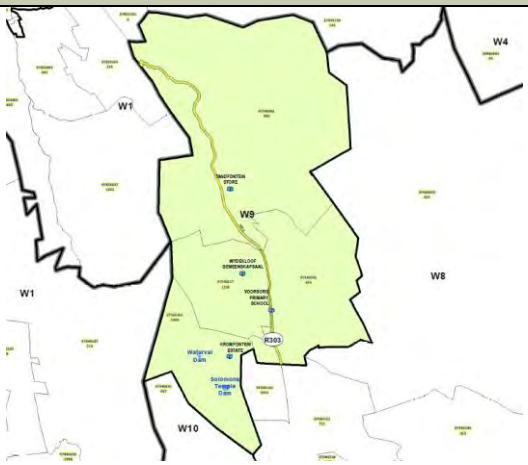
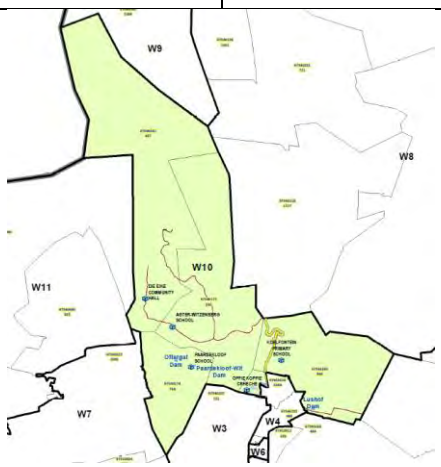
Mobile library service for the Breederiver area Homeless shelter The piece of land between Kluitjies Kraal and Pine Valley to be developed, or be made available for development e.g. food gardens, small scale farming ECD centers to be formalised Skills development programs in the Agri sector	Recreational facilities needed at swimming pool Taxi rank placements to be investigated Public bathroom facilities in the CBD

Wards 3 and 5	
	
Playgrounds for the northeastern part of the Rooikamp area Animal control a big problem, dogs and stray animals / problem has escalated Clarity on the Eiland housing scheme Better/more speed calming efforts Street signage to be upgraded Playground/field in Fabriek Str to be fenced Bassons sloot still a problem Mainmast light/ high-beam floodlights to be installed at parks and walk way areas Rotational skip system to be developed Developing of Lyell Str sports grounds, to accommodate more sport codes – Sector departments need to assist Gap housing developments Free broadband and WiFi hotspots Establishment of CPFs in all areas and more regular SAPS patrols/ high crime still a problem Library in Lyell Street to be upgraded/ modernised Recreational facilities similar to neighbouring municipalities (Worcester dam development) Sidewalks to be tarred or paved Walkway bridge over railway line dilapidated and unsafe	Owen Street unsafe due to poor street lighting Owen Street walkway to be developed, as this has become a main taxi route, unsafe for pedestrians Inspection/policing of shops, occupants use as accommodation Walkway to be developed from the nature reserve, past the pine forest Homeless people problem getting out of hand Stormwater network a problem Walkway and lights from Egoli to Albert Crescent behind houses Problems between Munnik and Voortrekker Street – close passage Railway line to be cleaned frequently, better quality fence Weekends the Town Main Roads have too much traffic Gambling taking place on street corners, SAPS need to act Bathroom facilities needed is cemeteries Better lighting needed along walkway to the Hospital Bus shelters for scholars on the outside rural roads

Streetlights to be upgraded, streetlights that are lower than the trees, outdated Community “Clean Green” programmes for the Rooikamp area	

Wards 4 and 6	
	
Community hall for Phases 3, 4 and 5 Backyard dwellers still a problem – housing need Sports facilities for Phases 3, 4 and 5 High dropout rate of scholars a problem Business hub/mini CBD for Kliprug area Better controlled refuse removal in Phases areas Effective placement of skips Availability of church sites Not all dwellings connected to main sewer line Ongoing speed control programmes Animal control in all areas Xhosa medium school for PA Hamlet area More electrical selling points, even at Thusong	Service suspensions to be clearly communicated to consumers Clamp down on illegal dumping of refuse Upgrade of Bella Vista Community Hall Danger of heavy duty transport in Panorama St Sewer network a problem at graveyard Development of youth centre at one of municipal facilities Land availability for small farmers Off-ramp lanes at Bella Vista entrances Gap housing developments Major need for pavilions at sports grounds

Business hub/mini CBD for Bella Vista More prepaid electricity selling points Bus and taxi shelters for scholars	Need a walkway around Jakaranda, Vrede Street and Mooi Uitsig School Bella Vista clinic too small Thusong Centre open on Saturdays from 09:00 to 12:00 Walk way needed from Mooi Uitsig School to Vrede Street Gang activity becoming a problem Vandalization of Municipal property

Wards 8, 9 and 10	
	
	
Clinic for the Agter Witzenberg area More effective mobile clinic services in rural farming areas Ambulance services still a problem SAPS service must be intensified Bus and taxi shelters along main routes Fire station for Op-die-Berg and also to service surrounding areas Crime also escalating – CPF	Backyard dwellers still a problem Tourism/ ecotourism to be promoted in the area Law enforcement officers to be appointed for these wards Christmas and holiday lights to be budgeted for Op-die-Berg River rehabilitation programme to be sustained No pavement curbs along main CBD routes

Sports grounds need secure fencing The location public ablutions facilities in the CBD area Speed calming still a problem Illegal house shops need to be regulated Illegal shebeens need to be closed Playgrounds and parks are unsafe Business development support programmes There are still streets that need tarring; Grond, Bokveld Street, etc. Upgrading of the R303 Gydo Pass	Tarring of CBD open spaces and sidewalks Swimming pool needed for Op-die-Berg Subsidised water storage tanks for all houses Better quality street/security lights Investigation needed regarding trees in CBD area Spotlights floodlights needed at walkway over the foot bridge More municipal services to be rendered at Op Die Berg offices
Wards 7 and 11	
Replacement and maintenance of roads Substance abuse a problem in Tulbagh area Small-scale farmers need land for their animals Animal control must be intensified Sector departments need to assist with the establishment of sports facilities in farming areas Water shortage a problem during summer months Small business development opportunities Gap housing developments Traffic Services for Tulbagh Illegal house shops need to be regulated Upgrading of street lights Parks and playgrounds to be upgraded Better ablution facilities for schools on farms Libraries to be open on Saturday mornings Control the influx and illegal structures	Illegal shebeens need to be closed Storm water network in Tulbagh needs to be maintained regularly The use of local contractors for municipal work Sewerage network in Chris Hani area needs to be maintained regularly River rehabilitation programmes to be sustained Safety of Woman still a concern, - House of Safe Keeping Tourism campaigns to be developed to attract more tourists Speed calming needed along main street walkway routs Roll out of programs for people with disabilities More ablution facilities needed in Chris Hani area, and ASLA Camp Scholar road safety to be looked at, school road/street crossings; traffic signage to be put up,

4 KEY PERFORMANCE AREAS

Witzenberg Municipality has identified four key performance areas that group related functions and activities into focused units. Strategic objectives have been developed for each of the KPAs that are further broken down into programmes, projects and activities. Key performance indicators will indicate performance and progress on our strategic objectives over the five-year IDP term. Note that the KPAs do not relate to directorates as currently being used in the municipality.

KPA **Essential Services** include the following functions:

- Water Services
- Sanitation Services
- Roads and Storm water
- Transport Management
- Electrical Services
- Street lighting
- Solid waste management and collection

KPA **Governance** includes the following functions:

- Human Resources
- Administration
- Information Technology
- Marketing and Communication
- Internal Audit and Risk Management
- Performance Management
- Traffic and law enforcement
- Building Control
- Town Planning
- Financial administration
- Income
- Supply Chain Management
- Integrated Development Planning
- Legal and property management
- Council

KPA **Communal** includes the following functions:

- Environmental Management
- Open Spaces
- Air and noise pollution
- Trading regulations
- Amusement facilities
- Cemeteries

- Fencing
- Amenities
- Sport facilities
- Parks and Recreation

KPA **Socio-Economic Support** includes the following functions:

- Social Development
- Local Economic Development
- Indigent support
- Housing
- Job creation

New School in Tulbagh

Key performance area 1:

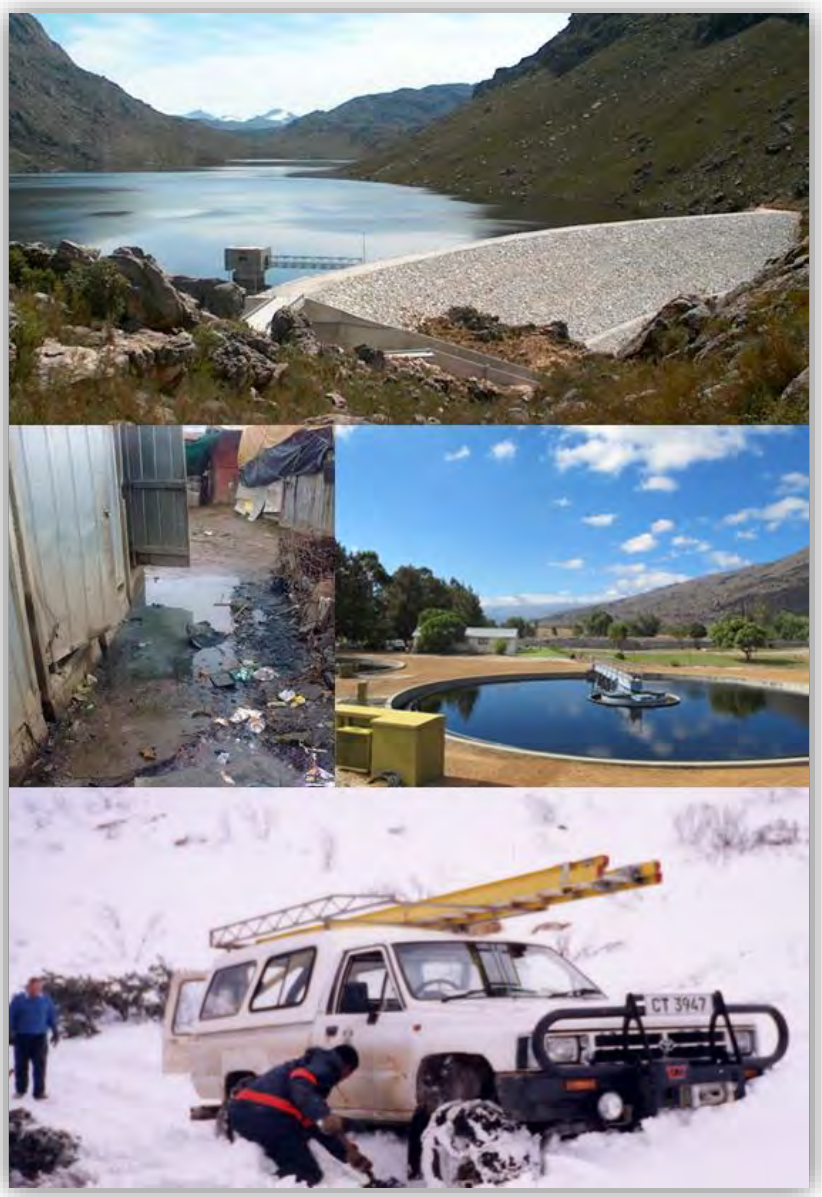
ESSENTIAL SERVICES

OBJECTIVE 1.1:

SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES

OBJECTIVE 1.2:

PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES



Key Performance Area 1

A. ESSENTIAL SERVICES

I. OBJECTIVE 1.1: SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC SERVICES INFRASTRUCTURE

An important emphasis for the municipality is to ensure that basic services infrastructure is provided and upgraded to support areas of growth. The further maintenance of existing infrastructure will ensure the sustainable provision of services. This will happen by means of the following programmes:

▪ PROGRAMME 1.1 (A): UPGRADING OF BULK RESOURCES AND INFRASTRUCTURE

Water Sources, storage and purification

The main resources for **Ceres** are the Koekedouw dam with a capacity of 17 million m^3 of which the municipality is entitled to 10 million m^3. Current usage is 4,9 million m^3 p/a. At the current population growth rate of 2,67%, the current supply will be sufficient for the next 10 years, excluding supplementation from our boreholes. Emergency boreholes can supply 20% of our ADD. Water quality from Koekedouw is good and is only chlorinated before distribution.

Two reservoirs (3 and 5 Ml) serve as storage reservoirs to the distribution network of 114 km with four supply zones (Bella Vista, N'Duli, Ceres main supply zone and Ceres central PRV zone). The network includes a 2 Ml and 2,5 Ml services reservoir, a booster pump station to the pressure tower at Bella Vista as well as a 750 kl and a 4,5 Ml service reservoir at N'Duli. All the bulk infrastructure for the planned housing projects have been completed and are in operation, except the bulk sewer mains, which will be completed July 2018.

Moordenaarskloof and Tierkloof are the main resources for the supply of water to **Tulbagh** at present. Construction has been completed to provide an additional 1,2 x 106 m^3/a from the Klein Berg River. One borehole at Kruysvallei supplies additional water to Tulbagh. Moordenaarskloof is evenly shared with two other users (SAPCO and Kruysvallei). The existing storage dam arise insufficient and requires the implementation of water restrictions on an annual basis. Funding applications for the construction of a 750 000 Ml storage dam have been submitted to the Department of Water Affairs and although allocation to the amount of R45m was included in the 2018 DoRA, final project approval is still awaited from DWA.

The purification plant consists of five slow gravity sand filters as well as a chlorination system. Two reservoirs (800 kl and 1 Ml) serve as clear water storage reservoirs to the distribution network of 29 km with two pressure zones. The network includes a booster pump station to the pressure tower (500 kl). A new reservoir will have to be constructed when private residential housing projects are implemented.

Wolseley receives its water supply from the Tierkloof weir. Purification consists of pressure filters and chlorination. The Ceres Road Reservoir (680 kl) and newly constructed 6 Ml Wolseley reservoir serve as storage reservoirs to the distribution network of 44 km with two pressure

zones. The network includes a 4.5 Ml services reservoir (Stamper Street Reservoir), which has been resealed to prevent losses, and a booster pump station. An additional pump station enables the transfer of irrigation water during periods of low flow from the Artois canal to this reservoir. The absence of a storage dam for Wolseley places the town at risk during periods of severe drought. The bulk supply line from the Tierkloof weir is at risk of collapsing due to age and is in need of replacement.

Prince Alfred's Hamlet's water sources consist of the Wabooms River weir, a fountain, three boreholes as well as a link through the agricultural pipe network of the Koekedouw Dam. Due to the quality of the raw water, only chlorination is required. Four 500 kl reservoirs serve as storage reservoirs to the distribution network of 32 km with only one pressure zone.

Op-die-Berg has three water sources, a fountain and two boreholes. Due to the quality of the water, only chlorination is required. Three reservoirs as follows: 50kl, 60kl and 500kl serve as storage reservoirs to the distribution network of 6 km with only one pressure zone. A new reservoir is required with the recent construction of 250 RDP houses. The absence of a storage dam places the town at risk during periods of severe drought.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
2,5 Ml Reservoir	***Bella Vista***	***R 7,2m***	***2017***
4,5 Ml Reservoir	***N'Duli***	***R 14,6m***	***2017/18***
Bulk water pipe line	***Ceres, Vos Street***	***R 6,2m***	***2017***
750 000 Ml Storage Dam	***Tulbagh***	***R 40m***	***2017/18/19***
Bulk water pipe line from Tier Hok weir	***Wolseley***	***R 11m***	***2021***
New reservoir at Op-die-Berg	***Op-die-Berg***	***R 5,5m***	***2019/20***
New reservoir at Tulbagh	***Tulbagh***	***R 9m***	***2021/22***

Achievements

Achieved BLUE DROP status for all water treatment works for past three years

Critical actions

Proceed with construction of Tulbagh storage dam

Waste water treatment works and pump stations

Sewage and industrial effluent are collected from consumers via a sewer system and treated at the **Ceres** wastewater treatment plant. The plant services the areas of Ceres, N'Duli, Bella Vista and Prince Alfred's Hamlet. The sewer system includes nine booster pump stations. A portion of the treated effluent is used for irrigation. The **Tulbagh** wastewater treatment plant was upgraded in 2015 and the system includes three booster pump stations. The **Wolseley** Wastewater treatment plant was upgraded in 2014 and the system includes six booster pump stations. The **Op-die-Berg** wastewater treatment plant serves approximately 75% of the consumers and the rest are serviced with septic tanks. Septic tanks are emptied by the municipality on request.

PLANT	SIZE (ML/DAY)	TECHNOLOGY	OPERATIONAL FLOW (% of design capacity)
CERES WWTW	8.5	Activated Sludge	67
ODB WWTW	0.308	Activated Sludge	73
WOLSELEY WWTW	3.6	Activated Sludge	44
TULBAGH WWTW	2.46	Activated Sludge	65

The effectiveness of the plants is measured through the quality of waste water discharge with all plants achieving targets in 2017/18. The Op-die-Berg plant requires an upgrade of sandfilters as the quality of discharge decreases, especially during winter months due to insufficient evaporation.

Infrastructure Investment			
Project Name	*Area*	*Budget*	*Year*
Upgrading of aerators & refurbishment of Waste Water Treatment Works	*Witzenberg*	*R 2,3m*	*2019/22*
Water & sewer network upgrades	*Witzenberg*	*R 9m*	*2019/22*

Achievements

Achieved GREEN DROP status for all wastewater treatment works for past three years.

Electricity bulk supply and substations

Witzenberg Municipality is the main provider of electrical services to the domestic and agricultural economy within its area of jurisdiction, whilst Ceres itself is synonymous with 'world-class fruit'.

Without a sufficient and sustainable electricity supply, this economy finds itself in dire straits. The hard-hitting facts are that Witzenberg Municipality is for all intents and purposes running at its NMD (Notified Maximum Demand) of 45,5 MVA. The current Eskom backbone network does not permit an increase of this NMD until such time as their backbone network has been upgraded. The implications thereof are four years and R250 million, meaning that 2023 is the earliest our NMD can be upgraded.

A conservative estimate of 2,5% growth per annum is that Witzenberg Municipality's load will be in excess of 50 MVA by then.

The realistic estimate however includes agriculture's own estimate for their industry alone to be 2,5% in addition to the natural growth of Witzenberg mentioned above. This then is a projected growth, realistically, of 5% per annum over the next eight years. By this estimate Witzenberg Municipality's load will be 60 MVA by then.

The following initiatives were implemented to assist over the short term:

- The Witzenberg Municipality installed power factor correction equipment at the Ceres main electrical substation, which effectively provides us with an additional 1 Mva of electricity.
- Although Eskom cannot currently increase Witzenberg's NMD, an application for an additional 5 MVA was however submitted in September 2019. This is deemed a short/medium term solution.
- Regular meetings with Eskom regarding the progress of the Romans River 132Kv upgrade project.
- Council has approved more than 5 MWp of solar panels for its consumers.

Over the short term (1-2 years), the above interventions will assist Witzenberg to provide in its customers' growing demand. Should Eskom not be in a position to complete the upgrade of their bulk electricity by 2022, the Witzenberg Municipality and its agricultural economy will be brought to its knees because of Eskom's inability to provide an increased Notified Maximum Demand.

On the municipal side Witzenberg has three main areas of supply with four Eskom intake points as follows:

- The **Ceres** electrical network receives its bulk electricity from Eskom via two 11kV bulk metering points at Eskom's Ceres Power Station (northwest of the urban area) and Bon Chretien (northeast of the urban area) substation, current NMD is 36,5 MVA.
- The **Tulbagh** electrical network receives its bulk electricity from Eskom via one 11kV bulk metering point at Eskom's Tulbagh substation, current NMD is 4,5 MVA.
- The **Wolseley** electrical network receives its bulk from Eskom via a single 11kV bulk metering point at Eskom's Wolseley substation, current NMD is 4,5 MVA.

It remains the duty of any municipality to pursue all avenues of revenue enhancement in order to ensure the provision of the full bouquet of services to all its residents in a sustainable manner. Electricity provision to the un-electrified rural areas of Witzenberg municipal area is a huge untapped resource that the

municipality is unable to exploit due to the current Eskom NMD constraints. In terms of the municipality's NERSA approved distribution licence, the municipal supply area is:

> *"The municipal area of WITZENBERG. Customers being supplied by Eskom or any other Licensed Distributor at the date of commencement of this licence are excluded from this licence"*

This implies that all un-electrified areas are considered 'green field' supply areas for the municipality and that Eskom is not allowed to supply electricity to these areas without the express permission of the municipality.

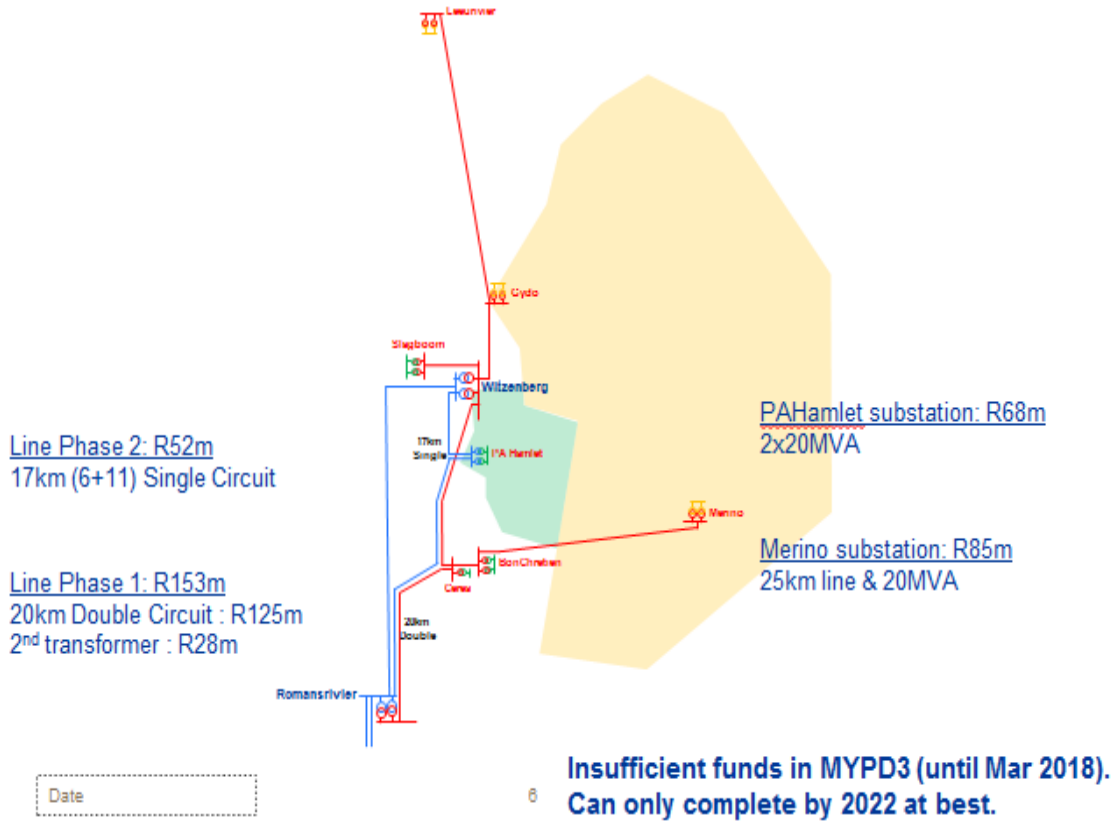
Load forecast

Below is a table depicting the current and immediate future growth.

	Ceres	***Tulbagh***	***Wolseley***
NMD	***36,5 MVA (reached March 2019)***	***4,5 MVA (4,2 MVA reached August 2019)***	***4,5 MVA (reached August 2019)***
Expected development	***Vredebes development (2 850 RDP housing units) 5,2 MVA*** ***Golfing estate dev (89 Erven) 1 MVA*** ***Kleinbegin (220 RDP housing units) 1 MVA*** ***Mazoe (270 RDP housing units) 0,8 MVA*** ***Morceaux veg processing 0,5 MVA*** ***Belmont (90 units) 0,5 MVA*** ***ERF 9602 shopping 1 MVA*** ***TOTAL 10 MVA***	***Informal settlement 1 MVA*** ***Digby (315 housing units) 1 MVA*** ***Waverenskroon (1 350 housing units / Commercial 16 970 m² / Institutional 20 775 m² / Recreation 24 400m² 1,5 MVA*** ***Pine Valley 2H (120 houses) 0,3 MVA*** ***TOTAL 3,8 MVA***	***Informal settlement 0,5 MVA*** ***Goedgevonden (269 units security/frail care 1 MVA*** ***Grassroots 1 MVA (2021)*** ***VV4 (Cooling) 1 MVA*** ***TOTAL 3,5 MVA***

Proposed interventions

Eskom supplies the Ceres area with a 132 kV line that has, due to consistent growth in demand, reached its capacity in 2014. A moratorium on all new demand is currently in place. Upgrading the existing supply will consist of four phases with an associated cost of R250 million. The current timeframe for this upgrade is expected to be around six years based on the land acquisition process and availability of budget. Below is a schematic depiction of the proposed required upgrade with the very concerning statement of "can only complete by 2023 at best". By that time the municipality will be exceeding its NMD by 12 MVA if considering a nominal 2,5% growth per annum, excluding the fact of a conservative estimate of 20% growth over the next eight years for the agricultural economy only.



Critical actions

- *Continued communication with Eskom and role-players on the urgent upgrade of Eskom bulk supply to the value of R250m*
- *Implementation of the Illegal Connection policy to reduce losses and increase income from electricity.*

Management of landfill sites

The provision and operation of landfill sites in the Witzenberg Municipality have reached critical proportions due to drastically increased operating costs and permit conditions of existing sites, available landfill space and increasingly strict legislation to adhere to.

The **Ceres** landfill site has been closed since 1999 as a permit was not issued due to the nature of soil conditions that could lead to underground water pollution. Rehabilitation is however still outstanding at a cost of R 4,2m.

The **Prince Alfred's Hamlet** site is licensed for builders' rubble and garden refuse only, with the same geo-hydrological issues as the Ceres site. All builders' rubble and garden refuse from Ceres are dumped here. Vandalism and theft play a major role in the operation of the site as fences are stolen and infrastructure vandalised. Illegal entry also has the result that fires periodically break out at the site. Rehabilitation is however still outstanding at a cost of R44,9m.

The **Op-die-Berg** site needs to be closed in the near future due to high operating costs. Rehabilitation is however still outstanding at a cost of R5,5m.

The **Wolseley** site is licensed for general waste, garden refuse and builders' rubble and have sufficient space up to 2026. The municipality was forced to close the site, after the adjacent informal community burnt down the offices and damaged equipment, and it is not foreseen that the site will be opened again in the near future. Rehabilitation is however still outstanding at a cost of R24,8m.

The **Tulbagh** site has sufficient airspace for 3 months and a variation to the licence was applied for, but a court order was granted against the application. The court order indicated that the municipality has to resubmit its waste variation license with certain updates to the MEC to re-consider the amendment of our waste variation license.. If this Waste Variation License is not approved we will have to transport our solid waste to either Worcester or Drakenstein at high transport costs. The Tulbagh site needs to be upgraded to the value of R3,1m to comply with DEADP findings. Rehabilitation is however still outstanding at a cost of R17,1m.

The table below indicates the waste volumes generated per town:

Town	***Ton/annum***
Tulbagh	*4 284*
Wolseley	*4 887*
Op-die-Berg	*3 083*
Prince Alfred's Hamlet	*2 781*
Ceres	*9 664*
TOTAL	***24 699***

Witzenberg Municipality is in the process of developing a **long-term strategy for waste management** as a whole. The strategy will be required to address the following issues:

Component	Activity	Description
Waste avoidance	Public awareness	The municipality developed and implemented a public awareness programme to promote waste avoidance and waste minimisation at source.
Waste collection	Optimise collection System	The municipality to optimise its waste collection resources.

Waste diversion	Recycling	The municipality should cooperate with the private recyclers in the municipal area instead of competing with them. Source-separated recyclables could be collected by the private recyclers after a competitive bidding process (tender). A wet MRF will be constructed at Ceres over the next 2 financial years. A waste drop off site is being constructed at Wolseley.
	Composting of green waste	The municipality should extend its current garden waste separation system to ban all garden waste from the domestic waste stream, thereby also capturing the fine garden waste (grass cuttings) for the composting process. A chipping and composting facility should be developed at the existing Prince Alfred's Hamlet garden waste site.
	Crushing of builder's rubble	Builder's rubble should be stored until a size stockpile is created to justify the mobilisation of a crusher. Such a storage area can spatially be provided at the centrally located proposed transfer facility or until then, at the Tulbagh landfill area.
	Food waste	The quantity of food waste in Witzenberg is too low to economically justify anaerobic digestion, but the food waste fraction could be composted with the garden waste. This would require source separation of food waste, but it is recommended that this activity be postponed until the composting of green waste has been successfully implemented. A zero waste to landfill pilot is currently being done at Tulbagh.
	Waste-to-energy	Witzenberg's waste volumes are too low to economically justify waste-to-energy technologies.
Waste disposal	Disposal at licensed landfill	Witzenberg Municipality has the option to either utilise the proposed new regional landfill near Worcester or to further develop the existing Tulbagh landfill. It is recommended that the regional initiative be supported because the transport cost would be the incentive to maximise the diversion of waste from landfill. A centrally located transfer facility should be established near Wolseley where the collected waste, after diversion technologies have been applied, would be transferred to long-haul vehicles.

Investigate usage of **regional landfill sites**. The development of a regional landfill site at Worcester is currently in process with the purpose to accommodate the municipalities of Witzenberg, Breede Valley (Worcester) and Langeberg (Robertson, Ashton, Montagu). The operation of a regional site should see a decrease in operating costs, but transport costs should determine if such a shift would be viable.

TABLE: CAPITAL AND OPERATIONAL COST REQUIREMENTS

Activity	Capital Cost	Annual Operational Cost	Timeline
Public awareness programme		Approximately R300 000	Completed
Waste Collection System	R11 500 000	R5 395 392	The procurement of the new RELs can be phased in over 3 years
Recycling		Approximately R660,000	Advertise a 3-year tender for the collection of source-separated recyclables in 2020/2021
Composting	R3 748 000	Approximately R2 300 000	Develop composting facility at PAH site in 2021/22
Crushing		Approximately R520 000	Commence immediately with separation and stockpiling of builder's rubble at Tulbagh landfill
Food waste separation			Zero waste to landfill Pilot currently running at Tulbagh
Regional waste disposal	Landfill = R7 227 232 Transfer facility = R14 420 000	Landfill = R1 667 709 Transfer = R2 073 165	Transfer facility (MRF) to be constructed in 2020/22 as it is the anticipated commissioning date of the regional landfill
Other	4 public drop-offs = R14 840 000 Rehab Ceres = R3 208 883 Rehab Wolseley = R20 532 911 Rehab Op-die-Berg = R4 768 317 Rehab PAH = R38 535 176 Rehab Tulbagh = R14 421 769	4 public drop-offs = R1 032 235	The public drop-offs should be constructed before the local landfill closure. The rehabilitation of the closed landfills can be scheduled to meet the budget. Drop off currently being constructed at Wolseley.

Witzenberg Municipality has a long-term twinning agreement with Essen Municipality in Belgium. As part of their Federal Government Programme, an application was approved for intellectual assistance and funding for the abovementioned strategy and related infrastructure such as the material recovery facility. The project will further assist with the establishment of drop-off points (transfer stations) in all towns that would replace the existing skip system. Additional funding for the MRF and one drop-off was approved MIG and own funding.

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PROGRAMME 1.1 (B): UPGRADE AND MAINTENANCE OF NETWORK INFRASTRUCTURE

Water and sanitation networks

The Witzenberg urban area is serviced through 224 km of water networks and 199 km of sewer networks with pipes varying in diameter. All urban areas have access to a water connection point with the exception of the informal areas of Tulbagh, Wolseley and N'Duli, which are supplied with communal water points. All urban areas have access to a sewerage connection point with the exception of approximately 25% of the Op-die-Berg and Prince Alfred's Hamlet consumers that are not connected to a network but use septic tanks that are emptied on request. The informal areas are provided with communal toilets. Septic tanks are serviced by two sewerage trucks over an area of 10,753 km² that entails mainly rural areas.

Normal maintenance and repair has increased drastically over the past couple of years due to the ageing of networks. A pipe replacement programme and upgrade of pump stations programme are being implemented and budgeted for on an annual basis. The increasing number of pipe breakages also has an influence on water losses, although water losses have decreased significantly over the past couple of years due to several interventions that were implemented.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Sewer pumps upgrading	***All towns***	***R 0,6m***	***2019/22***

Achievements

Decrease in water losses
2013/14 – 27%
2015/16 – 16%
2016/17 – 19%
2017/18 – 18%

Electrical networks

Ongoing maintenance of the network is essential to safeguard network reliability and sustainability and to ensure safe working conditions for employees and consumer safety. The cable network of **Ceres** is considered sufficient to handle a reasonable capacity increase over the foreseeable short to medium term.

In the case of both **Wolseley** and **Tulbagh,** the cable capacity is 2,38 MVA, which is insufficient to handle the Maximum Notified Demand and the 35 mm cables should be replaced with 70 mm cables. Ageing infrastructure considered very outdated and even dangerous to operate are, e.g., oil circuit breakers which are estimated to be up to 50 years old and spares are not available. Old outdoor switchgear is susceptible to water ingress.

The **electrical masterplan** was be reviewed in 2019 as it was last done in 2011. Witzenberg has developed a **Small-scale Embedded Generation**

(SSEG) plan that will supports the management of renewable energy production in the municipal jurisdiction. The municipality will continue with upgrading and installing street and public lighting to ensure a safe environment.

However, continued cable theft and vandalism pose a threat to the sustainable and safe provisioning of electricity and street lighting.

Illegal connections, especially in areas such as N'Duli and Pine Valley (Wolseley), pose a major threat in terms of electrical losses, loss of income and public safety if not properly addressed. Although electricity losses are well managed at 10,5% annually it remains just above the 10% norm set by the Department of Energy, losses in areas such as N'Duli remain out of control, at times exceeding 85% mainly due to illegal connections with the result that only 15% of electricity supplied to the area is metered.

Especially in die winter, the N'Duli associated network trips due to overload. This constant tripping obviously has a frustratingly detrimental effect on the consumers with legal connections.

An Illegal Connection Strategy is in the final stages of being implemented and is expected to make a substantial difference to the losses once the project is in full operation. We are confident that the losses will drop below 9% once all towns have been handled in terms of the policy.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Replacement of MV equipment	***All towns***	***R5,2m***	***2020/23***
MV Capital reinvestment upgrades	***All towns***	***R1m***	***2020/23***
Upgrade LV cables	***All towns***	***R1,2m***	***2020/23***

Achievements

Re-commissioning of Vos street and Nduli main road lighting

Upgrading / replacements of various mini-subs and networks

Critical actions

Implement policy on Illegal connections
Identify and remedy dangerous network equipment to mitigate safety risks and ensure network stability

Solid waste collection

All formal urban residential erven receive a **weekly door-to-door waste collection** service with a wheelie-bin system being implemented in 2016/17 for business. The implementation of the wheelie-bin system was necessary to ensure business pays for the amount of waste generated, as it was problematic with the provision of black bags in the past. The system further encourages recycling as business will save on waste removal costs when waste is collected by private recycling companies. It also addresses the problem of black bags and waste in boxes being left on pavements for collection that created pollution and unsightly streets. A new Compactor was procured in 2018/19 budget.

The **minimisation of waste** by private households is encouraged through public awareness and educational programmes. The strategic placement of large recycle bins at especially shopping centres and schools will be further expanded to support waste minimisation and

recycling. The cost-effectiveness of recycling is still problematic as Witzenberg has low populations with limited volumes of waste generated. To increase the cost-effectiveness of the business, private companies have engaged with commercial farmers and the agri-industry to collect waste to increase volumes.

Approximately 70 skips are distributed throughout towns for the **collection of garden refuse**. An additional skip truck was procured in 2016 to alleviate backlogs, but illegal dumping, dumping of household waste in skips and overflowing skips still remain an immense challenge. The municipality appointed additional law enforcement officers in 2016/17 to assist with curbing of illegal dumping.

Witzenberg will further implement a **waste management strategy** as mentioned under Programme 1.1 Sustainable provision and maintenance of basic services infrastructure – Managing of landfill sites, that will include the placement of **drop-off points** (transfer stations) to replace the skips. The first drop-off point in Wolseley is being constructed this financial year, drop off points will be strategically placed in all towns with permanent personnel. A thorough **public awareness campaign** with ward committees and door-to-door visits by "~~Youth Working on Waste~~" Waste Ambassadors~~(Programme by Department of Environmental Affairs~~) will ensure public buy-in. The project is partly funded with the assistance of **Essen Municipality in Belgium** with whom Witzenberg has a long-term twinning agreement.

The volumes of garden waste generated by the public are however insufficient to cost-effectively implement a composting facility and it is foreseen that Witzenberg will enter a **partnership with local private composting companies**. The strategy will also seek to implement more cost-effective operational methods as it is expected that the establishment of new RDP housing projects will put more pressure on the existing workforce and vehicles. Over the past 15 years, **residential households increased by approximately 30%** and it is expected that the trend will continue over the next 10 years mainly due to the implementation of RDP housing projects. The existing workforce and vehicles will therefore have to be increased to ensure a sustainable service.

▪ PROGRAMME 1.1 (C): TRANSPORT MANAGEMENT AND ROAD MAINTENANCE

This transport field is responsible for transport planning, road planning, traffic engineering and implementation of the Integrated Transport Plan (ITP) with the streets and stormwater infrastructure that include the upgrade, rehabilitation and maintenance of road infrastructure, stormwater drainage and the adequacy of traffic signage and road markings and public transport infrastructure.

The Witzenberg Local Integrated Transport Plan 2010-2015 was adopted in 14 December 2010, with the Witzenberg Local Integrated Transport Plan (LITP) 2016-2021 prepared as part of the review of the Cape Winelands District Integrated Transport Plan (DITP) 2016- 2021.

Overview of Public Transport

Within the Witzenberg area, only minibus taxi and limited rail services are available. There are however long-distance bus services that offer an inter-municipal service. With 61% of people employed in agriculture, much of the travel in the district is difficult to serve with public transport as a result of the high cost of travel relative to income, seasonal variation in farming activity, and the wide spatial distribution of trip origins and destinations.

Minibus taxi operations

The most frequent operations take place between Ceres and Wolseley, Ceres and N'Duli and Ceres and Bella Vista and Prince Alfred's Hamlet. Significant minibus taxi operations take place on Saturdays. The taxi operators from Bella Vista and Prince Alfred's Hamlet currently make use of private land and the owner has indicated

that it be developed in the near future. The establishment of a new taxi rank is critical and discussions with a land owner for a preferred site is under way.

Non-motorised transport

While NMT is important to support public transport, many potential passengers cannot afford minibus taxi fares. A household survey conducted in Witzenberg in 2009 revealed that the average walking trip time (one-way) is 28 minutes, with N'Duli, Wolseley Bella Vista residents walking 30 minutes or more to work.

Freight transport

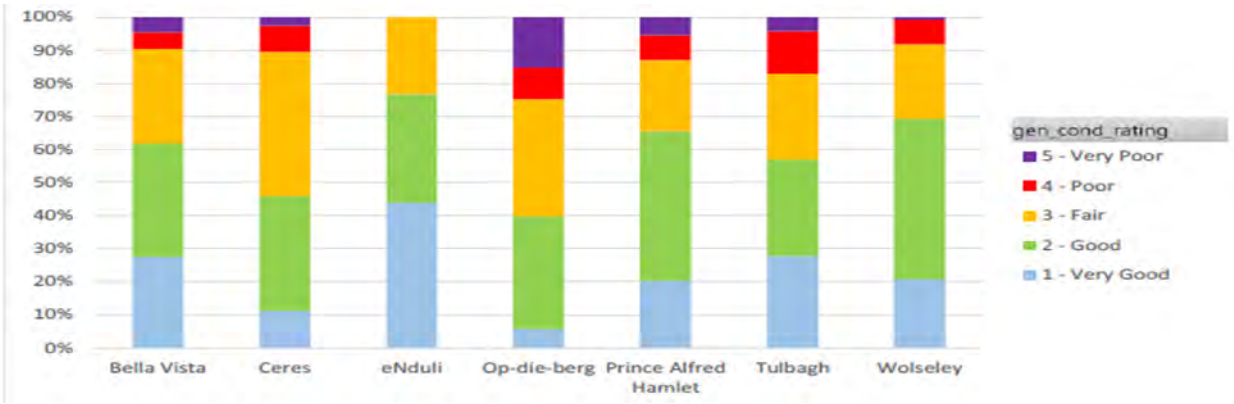
Within the Witzenberg area, the main freight transported is fresh fruit and vegetables for export. The implication of poorly maintained roads is that it may damage the produce to such an extent that the grading of the produce and thus the selling price are impacted negatively. The increased heavy transport has resulted in severe congestion during peak times in especially Ceres. The municipality supports the increased use of freight transport for the transport of fresh produce to Cape Town harbour.

A **Transportation Precinct Plan** has been developed for the **Tulbagh** Central Business District (CBD) with the purpose to improve the pedestrian interface and provide additional parking to the edges of Van der Stel Street in a way that does not detract from but respects the heritage resources in the town of Tulbagh.

Pavement Management System (PMS)

The use of pavement management systems is generally accepted as being essential for determining the maintenance needs of pavements in a network of roads. The update of the PMS that forms part of the Rural Roads Asset Management System (RRAMS) has been completed with the strategic goal to ensure efficient and effective investment in municipal street infrastructure.

Road conditions are described broadly in terms of the visual condition index (VCI) of the road. The index below represents a weighted average of the condition based on all defects.



Stormwater management

Well-managed urban water bodies are valuable resources providing environmental and recreational services which require protection and enhancement. This is particularly important in the context of extreme weather patterns and the associated local, national and international strategies targeting sustainability, climate and energy issues.

Flooding can result in significant damage to municipal infrastructure and private property.

Due to rapid urbanization and the age and condition of the existing stormwater infrastructure, the undesirable impacts of stormwater runoff from developed areas had a negative impact on existing municipal infrastructure, private property and river embankments.

In order to mitigate the impact of possible changing weather patterns and increasing runoff caused by urbanization, the Witzenberg Municipalityis in the process of acquiring a single database where all stormwater data can be viewed, queried, stored, added, maintained and expanded.

With this database, Stormwater Masterplan is being compiled, so that upgrades to stormwater infrastructure can be identified, in order to meet current and future infrastructure needs to accommodate growth.

Ultimately the benefit of fully integrated Infrastructure Management Systems will be beneficial to the optimal and effective management of all assets.

Roads and Storm Water Master Planning

Currently the Municipality only have Stormwater masterplans for Prince Alfred's Hamlet and Tulbagh.

The Department of Local Government and the Development Bank of South Africa (DBSA) through a partnership agreement has granted planning support to the Municipality for the development of Roads and Storm Water Master Plans.

The purpose of the Roads and storm Water Master Plan is to compile an implementation strategy, with goals and objectives, which will be followed by a Business Plan detailing the objectives in such a way that clear direction is given to implementation of the recommendations on priority projects.

- The Master Plan will include the evaluation and analysis of existing documents, the determination of existing backlogs, current demands and capacity.
- It will include a funding model and a programme for the implementation of all the projects identified and prioritized.
- It will evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation, and to identify new infrastructure required, and to propose time lines regarding when such infrastructure will be required.
- The assessments will address the primary and secondary networks, and the primary and secondary equipment needed to deliver a reliable, safe and affordable service to all existing and future consumers within the area.

Future developments impacting transport, roads and stormwater

<u>Vredebes Development on portions 18 and 72 of Farm 364, Ceres</u>

The required infrastructure upgrade' s external bulk for the Vredebes RDP housing project includes the following:

- Dedicated right-turn lanes on the south-western and northeastern approaches to the 4-way intersections at TR22/2 and Eselfontein Road, TR22/2 and Du Toit Storage and TR22/2 and Chris Hani Drive
- Upgrade TR22/2 from a semi-rural use road to an urban use road (cross section change) from km 0,85 up to the eastern end of the Vredebes development. The benefits being:
  - Protection of pedestrians
  - Natural slowing down of traffic
- Public transport embayments at the access roads
- Pedestrian underpass or overpass at the TR22/2 and Chris Hani Drive intersection
- Pedestrian resistant boundary structure, 1,8 m high, between TR22/2 and the development. To prevent pedestrians entering the TR22/2 and also provide a screen against vehicle headlights.

The cost of the abovementioned upgrades are estimated at R 80,7m and assistance would be required from the Provincial Roads Department

and Department of Human Settlements for implementation.

Witzenberg Agri-Park: Schoonvlei Industrial

The development of the Agri-Park is discussed in detail under Special Projects. The further upgrading of roads in the Schoonvlei_Industrial area, Ceres, will unlock private agro-processing infrastructure such as packaging and cooling facilities. The upgrade of mainly gravel roads to asphalt that amounts to R40.2m, funded by the Department of Rural Development and Land Reform, is completed. Road upgraded is Bank Street, Edison Street, Vreeland Street, Buren Street and Forel Street that would unlock the availability of land for small and medium enterprises.

Infrastructure Investment			
Project Name	***Area***	***Budget***	***Year***
Rehabilitation of roads	***As per PMS***	***R 8m***	***2019/20***
Upgrading of Tulbagh roads	***Tulbagh***	***R1m***	***2019/20***
Van Breda bridge	***Ceres***	***R7,8m of R40m***	***2019/22***
Upgrade Pavement Vosstr From Retief To Edge	***Ceres***	***R4m***	***2019/20***
Pedestrian Route Along R46/Nduli	***Nduli***	***R870 000***	***2019/20***
Vredebes Ph1 Busroutes	***Vredebes***	***R1.7m***	***2019/20***
Vredebes New Storm Water Channel & Detention	***Vredebes***	***R3.3m***	***2019/20***

Critical Actions

- *Upgrading of Tulbagh Roads*
- *Obtain funding for upgrading of R22 at Vredebes RDP housing project*
- *Establish taxi rank for Bella Vista in Ceres CBD*
- *Upgrading of Van Breda bridge, Ceres*
- *Upgrading Vredebes Roads and stormwater infrastructure*

II. OBJECTIVE 1.2: PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

The Constitution of South Africa sets out in Section 152.1 the responsibilities of local government with the emphasis on the provision of services to communities in a sustainable manner. The provision of services to formal billed households is covered under the previous strategic objective.

The provision of services to informal settlements create another type of challenge as informal communities are usually made up of

the more vulnerable groupings with limited access to services, which usually consist of communal infrastructure.

It is for this reason that Witzenberg has identified informal settlements as one of its strategic objectives to ensure that the provision of services and upgrade of informal areas receive priority attention. This objective addresses the provision of services to existing informal settlements and the upgrade of informal areas through the Department of Human Settlements programme for the development of serviced sites.

The implementation of housing programmes such as RDP and FLISP is discussed under the Strategic Objective – "Support the poor and vulnerable through programmes and policy" as it relates to the construction of top structures.

- **PROGRAMME 1.2 (A): IMPLEMENTATION OF HUMAN SETTLEMENT PLAN (SERVICED SITES)**

Serviced sites are funded by the Department of Human Settlements under the Upgrading of Informal Settlements Programme at approximately R50 000 per site. Services included are a water connection, toilet with washbasin and surfaced roads.

Electrical networks are funded by the Department of Energy. Serviced sites projects were recently completed at Prince Alfred's Hamlet (242 sites) and Pine Valley, Wolseley (158 sites). Although 605 serviced sites were completed in 2016/17 in Vredebes with a further 635 sites planned for 2018/19, these sites are earmarked for the construction of top structures. It is expected that serviced sites will be developed in the N'Duli informal settlement for beneficiaries who would not qualify for a housing subsidy at the Vredebes development.

At this stage the number of non-qualifiers is unknown as surveys are presently in process amongst the approximately 1096 families living in the N'Duli informal settlement. The N'Duli housing project were planned to be implemented in 2018/19 to ensure alignment with the Vredebes construction of houses but diu to the delay in construction on Vredebes the N'duli project could not start yet. It is expected that some of the approved qualified beneficiaries in the N'Duli informal settlement will be accommodated at Vredebes. The informal areas in N'Duli are planned to be upgraded for top structures for those that qualify as well as serviced sites for the non-qualifiers.

The provision of serviced sites for non-qualifiers does create a problem as a number of the non-qualifiers are foreign citizens with the result that these can't be upgraded with top structures in the future. It is further experienced in areas such as Prince Alfred's Hamlet and Pine Valley where serviced sites were occupied in the past, that the sites are occupied by more than one family, in some cases as many as six families, which also hampers the upgrade to top structures as the additional families will have to be accommodated in a new project.
A service provider were appointed by the DoHS so assist the municipality with the enumeration of the informal settlements in Tulbagh and N'duli over the period 1 April 2019 to 31 March 2021.

Critical Actions

The upgrading of the N'Duli informal settlement to include top structures and serviced sites

▪ PROGRAMME 1.2 (B): PROVISION AND MAINTENANCE OF COMMUNAL SERVICES

The informal areas of N'Duli, Pine Valley and Tulbagh are serviced with communal toilets and water points.

The table below gives an indication of the number households and services ratio:

Informal household with communal services

Informal area	***Households***	***Water points***	***Toilets***
N'Duli, Ceres	**1096**	***25***	***14***
Tulbagh	**1398**	***102***	***47102 (including chemical toilets)***
Pine Valley, Wolseley	**1079**	***9***	***43 in total*** ***Only 15 in working condition***

Note: The number of service points as at end of June 2019. Tulbagh service points include serviced sites occupied by more than one household.

The aforementioned informal areas have limited access to an electrical network. The main reason being that the Department of Energy does not fund electrical networks in informal areas. The upgrade of informal areas to serviced sites is however funded. The maintenance of the communal facilities is managed by the housing section. Due to limited capacity and on-going vandalism, facilities are not always in a working order with blockages resulting in sewer overflows that lead to unhygienic conditions. It remains one of the biggest challenges for the Housing Department to provide education on the hygiene and usage of the public facilities. These conditions are further examples of the urgent need to upgrade the informal settlements. Refuse bags are distributed for weekly door-to-door collections. The system is not always effective with illegal dumping and littering ongoing. Skips are also placed at some areas with regular cleaning operations by the cleansing department.

▪ PROGRAMME 1.2 (C): MANAGEMENT AND CONTROL OF INFORMAL SETTLEMENTS AND ILLEGAL OCCUPATION

The programme focuses on the management and control of informal settlements in relation to in-migration and unlawful occupation especially in the informal settlements of N'Duli, Tulbagh and Pine Valley (Wolseley). The growth of informal settlements is monitored through a bi-annual count by officials from the Housing Department. The demolishing of illegal structures through a legal process is however costly and time consuming. Capacity of law enforcers is limited and they have to work after hours and over weekends. Eight additional EPWP workers were utilised from 16 December 2018 to assist the housing officials and law enforcement to demolish illegal structures.

Two additional EPWP workers were appointed as from 1 April 2018 to assist with the cleaning of ASLA Camp p and these contract are still ongoing.

Critical Actions

- *Development of a Farm Eviction Strategy*
- *Management of influx control in informal settlements*
- *Establishment of response team for illegal squatters – budgeted for **2018/19***

Key Performance Area 2

GOVERNANCE

OBJECTIVE 2.1:

SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

OBJECTIVE 2.2:

ENSURE FINANCIAL VIABILITY

OBJECTIVE 2.3:

MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL – AND INTER-GOVERNMENTAL PARTNERS AS WELL AS THE LOCAL COMMUNITY

Key Performance Area 2

B. GOVERNANCE

I. OBJECTIVE 2.1 SUPPORT INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

- **PROGRAMME 2.1 (A) HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT**

The Witzenberg Municipality employs 561 officials (30 June 2016) (permanent and temporary employees) excluding councillors, who individually and collectively contribute to the achievement of the municipality's objectives.

The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function. There were 49 vacant positions at the end 2015/16, resulting in a vacancy rate of 5,7%. Measurements are to be put in place to ensure that vacant positions are filled as soon as possible for service delivery to continue.

Witzenberg has put in place a set of human resource (HR) management and development processes, including performance management, personal development plans and workplace skills planning, all of which guide staff training and development. These also deliver effective talent management by creating a 'fit for purpose' organisation that is service delivery-oriented.

Performance management

The TASK process needs to be completed as a matter of urgency with proper job descriptions for all positions on the approved organogram. Witzenberg will further start with the roll-out of operating procedures in certain departments with evaluation measures to ensure effective personnel performance management. The latter will ensure more effective disciplinary action, and policies and measures will be put in place to ensure that disciplinary actions are timeously finalised.

Equity

The Employment Equity Act (1998), Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan".

African		***Coloured***		***Indian***		***White***	
Target June 2016	*Actual June 2016*	*Target June 2016*	*Actual June 2016*	*Target June 2016*	*Actual June 2016*	*Target June 2016*	*Actual June 2016*
33.4%	*25%*	*49.6%*	*68%*	*1%*	*0%*	*16%*	*6%*

2015/16 EE targets/Actual by racial classification

Development

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

Critical Actions

Finalise job descriptions and contracts for managers

▪ PROGRAMME 2.1 (B): LAW ENFORCEMENT AND TRAFFIC

Witzenberg aims to expand partnerships with communities, the private sector and other departments and spheres of government to improve safety and security. The aims of the Traffic Department are as follows:

- Reduce road accident fatalities within the region and increase service delivery to all the towns within Witzenberg.
- Develop road safety initiatives and programmes aimed at educational institutions from primary to tertiary level.
- Ensure increased legal compliance to through enforcement of municipal by-laws and traffic regulations.
- Implement the Violence Prevention through Urban Upgrading (VPUU) programme

VPUU is a systemic approach to neighbourhood upgrades. It is a multilateral collaboration between Witzenberg, the Provincial Government and residents of a specific geographic area. VPUU aims to prevent violence in these areas and, consequently, to improve the quality of life of the residents. The goals include a general increase in the safety of the beneficiary population, upgrades to neighbourhood facilities, and economic and community development.

We are acutely aware that the Traffic Department is understaffed, which impacts negatively on the department's ability to effectively deal with traffic violations within the municipal jurisdictional area. It is therefore critical that the law enforcement personnel (traffic component) be progressively expanded over the next five years. The traffic infrastructure also needs to be upgraded to comply with the provincial and national regulations and requirements. It is also envisaged to purchase new traffic vehicles over the IDP term in order to render the department competitive in combating traffic- related offences. Responding to traffic-related offences as well as general law enforcement matters is not only a municipal traffic function, but also includes positive action from other law enforcement agencies. Intergovernmental relations will thus be strengthened to combat crime effectively within the Witzenberg area and to promote a proactive stance to public safety. It is further envisaged that a specialised traffic officers' component (fast response unit)

be established that will lead the municipality's zero tolerance approach to speeding, reckless, negligent and drunk driving. Strategies will include specialised operations to apprehend offenders and start a name-and-shame campaign.

During October 2016, Witzenberg Municipality's Traffic Services, together with the Training Department and Human Resources Department, followed a process of identifying and appointing ten (10) suitably qualified candidates for learnerships as Law Enforcement Officers. Upon successful completion, these learners are to be utilised on a contract basis to assist the municipality render more effective and efficient by-law enforcement within Witzenberg. Coupled with the intended expansion of the fleet of traffic vehicles, the visibility and effectiveness of traffic services in all the responsible areas of Witzenberg, especially the outer towns, will improve due to this initiative.

The gradual implementation of the amended organogram will streamline the different work components and not only improve the level of service in all spheres of the department, but also present career opportunities.

During the course of May 2016 and February 2017, one Traffic Officer and one Superintendent position were also filled. The deployment of another testing official will be of great benefit for the community. It must however be remembered that the present area which is utilised as a test track is not the property of the municipality, and the property owner has indicated that they will soon require the premises for their own needs. This will require the municipality to find an alternative, appropriate area, which will also have financial implications.

The intended expansion of the law enforcement component and the increased number of prosecutions, coupled with the possible impounding of items, pose a storage dilemma because at present there is no storage facility for impounded items. The long- term goal is to make available suitably secure storage facilities for such impoundments, which will in turn curb the present continuum of violations.

The Witzenberg Traffic Department is gradually expanding its services and operations, not only in the urban areas, but also in the rural areas. However, this can only be done with expert planning, coupled with experienced management and the availability of adequate resources and financial provision.

▪ PROGRAMME 2.1 (C): SPATIAL AND TOWN PLANNING

The **Spatial Planning and Land Use Management Act** (Act 16 of 2013)(SPLUMA) brought about a new planning system which was implemented on 1 July 2015. The SPLUMA replaced the old 1985 Ordinance that was found to be unconstitutional. The most far-reaching changes are the following:

- Municipalities needed to regulate their own planning function within the legislative framework (SPLUMA) set by National Government. To this end the Witzenberg Land Use Planning By-Law was approved by Council and gazetted on 21 August 2015.
- Municipalities had to establish a Municipal Planning Tribunal (MPT) in order to determine land use and development applications. Witzenberg Council appointed the MPT members on 26 November 2015, consisting of 5 members; 3 internal and 2 external.
- Municipalities must adopt a single land use scheme within five years of implementation of the SPLUMA.

- The executive authority of the municipality is the appeal authority.
- Developments that will have an effect on provincial planning and agriculture will also need approval from the Provincial Department of Environmental Affairs and Development Planning.

Spatial Development Framework

Legislation requires that the Municipality adopt an SDF concurrently with the adoption of the IDP, which SDF must give spatial expression to the goals and objectives of the IDP.

Consultants were appointed early in 2019 to review the SDF. Council approved the process plan on 31 July 2019.

Public engagements were held between 18 and 25 November 2019 at venues located in each of the towns. The draft SDF was also advertised in the press for public comment until 31 January 2020, and the Provincial Gazette with the closing date 30 March 2020.

Pursuant to section 13 of the Western Cape Land Use Planning Act, 2014 the draft SDF was presented to the Minister for comment on 4 February 2020. Comment was received from the Minister's Head of Department: Environmental Affairs and Development Planning on 5 February 2020.

All comments and submissions received during the consultation process are being addressed at the moment as part of the finalization of the document. A final draft SDF will be presented to the Witzenberg Council during April 2020 for adoption.

Single Land Use Scheme

At present the municipality has three older zoning schemes. The Spatial Planning and Land Use Management Act, 2013 stipulates in Section 24(1) that a municipality must adopt a single land use scheme for its entire municipal area within 5 years from the commencement of said Act. Municipalities have until 30 June 2020 to implement an integrated zoning scheme.

Currently the Witzenberg Municipal area is covered by 3 different zoning schemes comprising of:

- Ceres Scheme (1994)
- Nduli (1989)
- Section 8 (1988) applying to Wolseley, Tulbagh, PAH, Die-dorp-op-die-Berg and farming areas.

The above mentioned zoning schemes are also outdated and did not keep track of the changing development context of the area. As a consequence, the zoning schemes complicate land use management.

Consequently it is necessary to consolidate the different zoning schemes into a single integrated zoning scheme, as well as to reform the zoning scheme into an innovative tool which is more suited for managing the challenges of development found today.

The following process and associated timeframes to finalize and implement the IZS has transpired:

<u>Finalise draft IZS for Council submission – April to May 2019 (This stage completed)</u>

- Technical examination of the content of the IZS to consider and make sure that it covers any specific needs or challenges that the municipality faces.
- Develop zoning transition tables to allocate the new zonings.
- Submit draft IZS to Council for mandate to release same for purpose of public participation, including the proposed public participation process.
- Prepare a land use register and determine a new zoning in terms of the IZS for every property with the finalization of a new associated zoning map.

Public Participation process for IZS – June 2019 to January 2020 (Completed)

- Undertake Public participation and advertisement campaign, incl. Council workshops.
- Evaluate any inputs on IZS and finalise draft IZS.
- Communicate responses to parties who provided inputs.

Approval and Implementation of IZS – May 2020

- Finalise IZS and submit report to Council for final adoption.
- Publish adoption of IZS [MSA s13(a) promulgation]

Critical Actions

Implement the consolidated land use scheme by 1 July 2020.

Adopt the SDF as part of the IDP

PROGRAMME 2.1 (D): ADMINISTRATION

The Administration Section aims to ensure good governance, administrative transparency and openness. To promote clean and sound administration and to ensure access and information in respect of Council resolutions, minutes, policies and by-laws. Witzenberg has started to implement a paperless policy to reduce use of paper with Council agendas and minutes.

PROGRAMME 2.1 (E): FLEET MANAGEMENT

Witzenberg will develop a vehicle replacement policy that will entail the effective maintenance of vehicular resources and a well-planned replacement programme for ageing vehicle fleets spanning five, 10 and 15 years. Witzenberg is currently in the process of investigating the financial implications of long-term leasing. A vehicle tracking system will be implemented during 2017/18 to ensure effective monitoring and cost-effective usage of the municipal fleet.

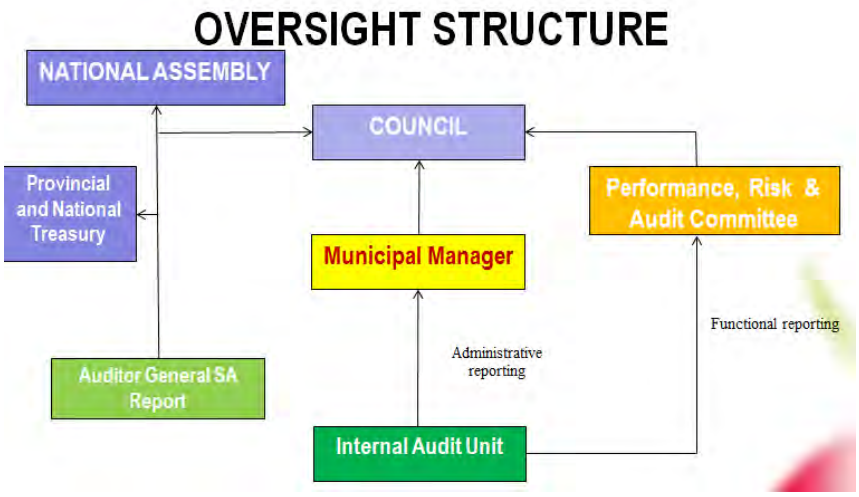
PROGRAMME 2.1 (F): TRANSPARENT GOVERNMENT (OVERSIGHT)

According to Section 62(c) of the MFMA, the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control and **internal audit** operating in accordance with any prescribed norms and standards

Section 165 further states that a municipality must have an internal audit unit that advises the accounting officer and reports to the audit committee on the implementation of the internal audit plan and matters relating to -

- internal audit and internal controls; accounting procedures and practices;

- risk and risk management and performance management;
- loss control; and compliance with this Act, the annual Division of Revenue Act and any other applicable legislation.



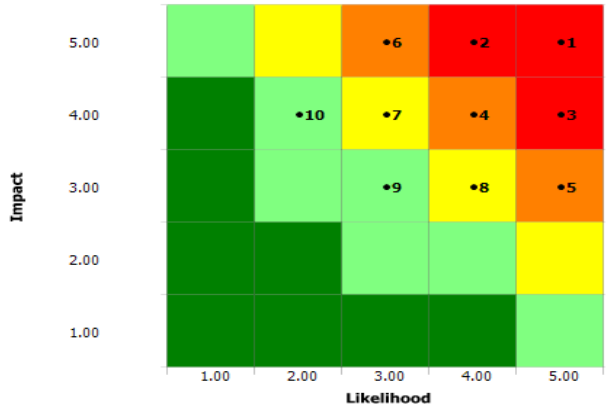
The Witzenberg Internal Audit unit must evaluate the adequacy and effectiveness of controls in responding to risks within the organisation's governance, operations and information systems regarding the:

- reliability and integrity of financial and operational information
- effectiveness and efficiency of operations and programmes
- safeguarding of assets; and
- compliance with laws, regulations, polices, procedures and contracts.

Internal Audit assists the organisation in maintaining effective controls (of which management is the custodian) by evaluating the effectiveness and efficiency and by promoting continuous improvement. A "fraud hotline" (0800 701 701) has been implemented and is communicated on a regular basis through newsletters.

Council takes an interest in **Risk Management** to the extent necessary to obtain assurance that properly established and functioning systems of risk management are in place to protect Witzenberg Municipality against significant risks. Council has to report to the community on the municipality's system of internal control. This provides comfort that the municipality is protected against significant risks to ensure the achievement of objectives as detailed in the Service Delivery and Budget Improvement Plan (SDBIP).

Inherent risk heat map for Witzenberg Municipality indicating the top major risks applicable.



Title	II	IL	IR	Pt
Major unplanned not disaster related interruptions to service deliver	5.0	5.0	25.0	1
Inadequate supply for electricity to meet existing and future demands	5.0	4.0	20.0	2
Un-recoverability of outstanding receivables	5.0	4.0	20.0	2
Uneconomical utilization of assets (Klipriver Park)	4.0	5.0	20.0	3
Poor growth in revenue base	4.0	5.0	20.0	3
Non-compliance to rehabilitate closed landfill site	4.0	5.0	20.0	3
Deteriorating electrical infrastructure	4.0	5.0	20.0	3
Deteriorating water and sanitation pipe infrastructure	4.0	5.0	20.0	3
Solid waste management ineffective	4.0	5.0	20.0	3
Inability to implement provincial approved budgeted housing projects	4.0	5.0	20.0	3
Increase in unaccounted water and electricity losses	4.0	5.0	20.0	3
Inability to create a safe environment for communities	4.0	5.0	20.0	3
Escalation in vulnerable households	4.0	5.0	20.0	3
Deteriorating road infrastructure	4.0	5.0	20.0	3
Community is dissatisfied with slow progress towards services delivery	4.0	5.0	20.0	3
Growth in informal settlements	4.0	5.0	20.0	3

II – Inherent Impact; IL – Inherent Likelihood; IR – Inherent Rating; RR – Residual Rating; Pt – Map Indicator.

▪ PROGRAMME 2.1 (G): DISASTER MANAGEMENT AND FIREFIGHTING

The Witzenberg Municipality has the following firefighting functions:

- Structural fires
- Fire safety (the application of the National Building Regulations, fire codes and municipal by-laws with regard to fire safety)
- Rescue services
- Support services to municipal and other instances
- Fire pre-planning and related preparedness plans
- Testing and basic maintenance work on emergency vehicles and equipment
- Fire communications facilities for the particular service

A local municipality must establish capacity for the development and coordination of a **disaster management** plan and the implementation of a disaster management function for the municipality and (a) conduct a disaster risk assessment for municipal area (b) identify and map risks (c) prepare a disaster management plan (d) develop early warning mechanisms and procedures for risks identified in municipal area (e) review and update plans. ***In order to comply with the South African National Standard on Community Protection against Fire (SANS 10090:2003):***

A measurement tool that indicates whether a fire service is meeting the minimum mandatory community fire protection standard, which in turn is indicative of whether a fire authority is indeed contributing to the objects of local government, necessitates the

following manpower: **Wolseley: 3 firefighters and 3 cadet firefighters; Op-die-B: 3 firefighters and 3 cadet firefighters.**

A local municipality must establish capacity for the development and coordination of a **disaster management** plan and the implementation of a disaster management function for the municipality and (a) conduct a disaster risk assessment for the municipal area; (b) identify and map risks; (c) prepare a disaster management plan; (d) develop early warning mechanisms and procedures for risks identified in municipal area; and (e) review and update plans.

In order to adhere to the amended Disaster Management Act, funds have to be allocated to appoint a Disaster Management Officer.

In order to deliver water to affected communities, funds have to be allocated to purchase a water tender.

II. OBJECTIVE 2.2: ENSURE FINANCIAL VIABILITY

The objective is to ensure that Witzenberg Municipality is financially viable over the short term and sustainable over the long term, while tariff increases are kept as low as possible to ensure that tariffs are affordable to the community at large and competitive to ensure that new businesses and/or industries are attracted.

The development of plots and building of RDP houses are challenges to the financial viability and sustainability of Witzenberg Municipality as most of the beneficiaries will qualify for indigent support and will not contribute financially to the municipality, but will be entitled to municipal services. The current workforce also needs to be extended to ensure service delivery to the new houses.

The maximum electricity demand of the Witzenberg Municipality reached the maximum supply by Eskom. Increased demand can only be supplied by Eskom in 2022. The lack of available electricity supply has a negative effect on economic growth, which also has an effect on the creation of work opportunities and the financial viability and sustainability of the municipality.

The recent drought and water restrictions imposed forced consumers to change their water consumption habits. Decreased consumption has a positive effect on the water resources, but has a negative effect on municipal revenue.

▪ PROGRAMME 2.2 (A): INCOME AND DEBT MANAGEMENT

The revenue must be increased to ensure that Witzenberg Municipality can meet all its financial obligations and to improve service delivery. A policy providing for rebates on municipal services is available to new businesses/industries or extension of existing businesses/industries where new jobs are created.

New businesses and/or industries will not only increase the revenue base of the municipality but will also assist in reducing unemployment – one of the largest challenges for Witzenberg Municipality.

Witzenberg Municipality's revenue stream is modelled on a combination of past trends, forecasted economic and fiscal conditions. The

revenue sources are monitored and determined to ensure sustainable medium-term to long-term cash flows.

Consumers are billed once a month for services rendered. In addition to the current practice of printing and mailing, technology will be utilised to implement an e-billing solution (**Citizen Mobile Portal**), using e-mail technology to make invoices more accessible and to encourage online transacting for citizens with internet access. Witzenberg will implement a Geospatial Information System to display billing information on maps to determine whether all users receive accounts and to easily view outstanding discrepancies.

The table below illustrates the outstanding debt per town vs billings. The biggest problems exist in the towns of N'Duli, Prince Alfred's Hamlet and Op-die-Berg. The main reason being that effective debt collection through the cutting of electricity can't be implemented as Op-die-Berg and Prince Alfred's Hamlet are serviced by Eskom and in N'Duli illegal electricity connections can't be addressed due to safety issues of personnel.

Critical Actions

Strict implementation of debt policies

- **PROGRAMME 2.2 (B): EXPENDITURE MANAGEMENT**

The financial goal was to pay off the external long-term loans and to finance new infra-structure. The bulk of the loans were redeemed and the future interest and redemption burden has been reduced significantly. The salary budget was kept below 30% of total expenditure. Controls are in place to mitigate the possibility of unauthorised, irregular and fruitless and wasteful expenditure being incurred.

- **PROGRAMME 2.2 (C): SUPPLY CHAIN**

Witzenberg Municipality is a large procurer of goods and services and as such it has enormous buying power to support economic growth through procurement. The supply chain unit will be revising their policies and procedures to ensure that goods and services are first secured locally. Unfortunately current legislation does not provide for any preference for local suppliers. The municipality will ensure that local SMMEs and local businesses are adequately empowered to provide these goods and services.

- **PROGRAMME 2.2 (D): MSCOA**

The Municipal Standard Chart of Accounts (MSCOA) regulation will be implemented from 1 July 2017. To achieve this, the 2017/2018 budget must be tabled in the MSCOA format. The tendency of National Treasury to move the goalpost makes it even more difficult to achieve compliance with the regulation.

Critical Actions

Develop Procurement Plan by May each year

III. OBJECTIVE 2.3: MAINTAIN AND STRENGTHEN RELATIONS WITH INTERNATIONAL AND INTER-GOVERNMENTAL PARTNERS AND THE LOCAL COMMUNITY

- **PROGRAMME 2.3 (A): COMMUNICATION AND MARKETING**

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the community to improve the lives of all.

Good customer care is of fundamental importance to government organisations due to their constant interaction with members of the public. All local government entities strive to uphold the following constitutional ideals towards the development of acceptable policy and legislative framework regarding service delivery in public service:

- Promoting and maintaining high standards of professional ethics.
- Providing service impartially, fairly, equitably and without bias.
- Utilising resources efficiently and effectively.
- Responding to people's needs; citizens are encouraged to participate in policy making.
- Rendering accountable, transparent, and development-oriented public administration.

The Witzenberg Municipality Communication Strategy is a vital document which illustrates the views of local residents regarding communication as well as their perceptions of the municipality. Many of the views expressed display dissatisfaction with aspects related to elements beyond the scope of local government, such as access to housing, employment opportunities, education and healthcare.

However, local government acts as the conduit to expedite issues of this nature to the correct government entities, while supporting and investing in various programmes aimed at skills development, youth development, social development and short-term temporary employment. Levels of literacy and education, understanding of language, public apathy, knowledge of government processes and access to communication tools can also affect how the public formulates perceptions of local government and can potentially hamper how local government communicates and assimilates information, especially within rural environs.

A successful communication strategy therefore links local demographics to the municipality's programme for the year, and influences budgetary expenditure according to the needs of the public.

The aims of Witzenberg Municipality's Marketing and Communication Department are:

- To integrate communication.
- To offer service that communicates commitment, loyalty and interest.
- To generate content that engages the public with openness and positivity.
- To become proactive with communication instead of reactive.
- To make ease of access to communication and relaying information easier for the public.
- To effectively engage with international stakeholders and clients.
- To perform oversight and development of tourism expenditure and activities to promote the various towns within the municipality.
- To manage operations for contact centre query management and emergency services relay.

Communication is managed in the following ways:

PROGRAMME 2.3 (B): INTEGRATED COMMUNICATION TECHNOLOGY

Witzenberg is in the process of developing an IT Governance Policy and will implement the following projects over the next five years:

Wide Area Network:
The establishment of a high speed backbone linking Ceres, Tulbagh, Wolseley and Op-die-Berg using AirFiber Micro towers. This will increase our network speed from 0,5 Mbps to 700Mbps which will greatly improve our footprint in these towns. Phase 1 is already completed. Phase 2 will be the upgrading of all client sites. Phase 3 configuration and qOs.

Disaster Recovery Site:
We have established a DR site at Traffic Services where we replicate from our live site. At the moment we are using virtualisation to replicate and synchronise our mission critical servers including our exchange, file, document servers. We are planning to increase these to include all servers. On completion of the WAN backbone, the movement of the site to Wolseley and the upgrading of the equipment to centralised storage. This project is critical as it would ensure business contingency during a disaster.

Citizen Mobile Portal:
We need to be able to provide all services to customers on a digital platform accessible via Mobile device or a PC/Laptop. This will include internet portals or mobile apps where users can access their accounts, perform payments, apply for services, fault reporting, procure prepaid services, refuse removal programmes, etc.

PROGRAMME 2.3 (C): BUILDING STRATEGIC PARTNERSHIPS

Witzenberg is committed to working closely with the provincial and national spheres of government to put the needs of our community first. To achieve this, we engage with Provincial- and National Government on various formal and informal platforms.

Witzenberg will formally engage Province and other municipalities through the Premier's Coordinating Forum at a political level, as well as by means of the IDP indabas and MTECH committees at an administrative level. Witzenberg is an active partner in the Consolidated Rural Development Programme

(CRDP) with regular engagements with the Department of Rural development in this regard.

Witzenberg will continue with a long-term twinning agreement with Belgium Municipality, Essen.

Several projects relating to youth development and the environment were implemented successfully in the past. Current projects include a Flemish Programme on Youth development and upgrading of open spaces. A Federal Programme focusing on Waste Management will be implemented in 2017/18.

The **Thusong Centre** is a decentralised government access hub available to the public, allowing easier access to government services such as Social Development, Home Affairs, etc., eliminating the need for clients to travel great distances to their closest office.

Being a public hub, this building experiences high volumes of public visitors, placing much pressure on the building. The government stakeholders making use of the building are tenants to the municipality and the rental generated is used to manage the overheads of the centre. As a result, a frequent expenditure for this building is maintenance. There are also capital requirements at this site, as we need to reinforce the security of the building as well as look into the expansion of the centre to accommodate more offices for rental, and provide space in the form of a sports hall for training and conferencing, recreation, cultural or sports activities for the youth and the aged.

The staff at the site is appointed on a temporary basis and we require an administrator to be appointed on a permanent basis in order to address the needs of this facility.

Key Performance Area 3

COMMUNAL SERVICES

OBJECTIVE 3.1:

PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME.

Key Performance Area 3

C. COMMUNAL SERVICES

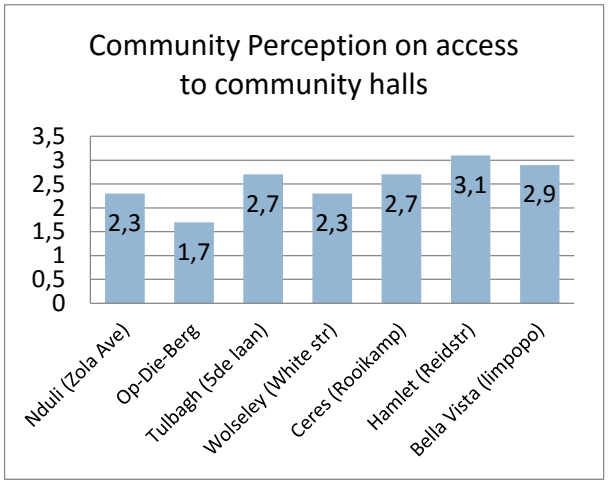
I. OBJECTIVE 3.1: PROVIDE AND MAINTAIN FACILITIES AND AN ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

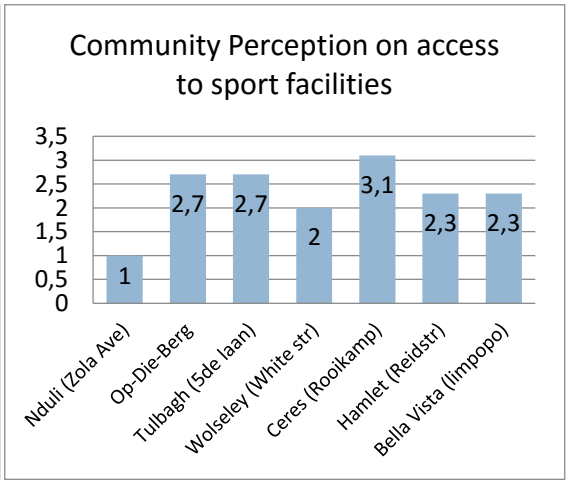
▪ PROGRAMME 3.1 (A): UPGRADING AND MAINTENANCE OF FACILITIES

Backlogs in repairs and maintenance (reactive maintenance) will be addressed, and proactive maintenance programmes for ageing infrastructure (community facilities, cemeteries, park equipment, small plant and machinery) will be investigated and implemented to meet minimum maintenance standards. The municipality aims to maintain all 55 community parks to the set standards. A five-year budgeted maintenance for communal facilities will be developed with standard operating procedures to ensure a cost-effective management of facilities.

Witzenberg will continue partnerships with local sport forums and will continue with the establishment of new sport forums in all towns. The planning and development of sport facilities will be done accordingly the Sport Master Plan.

Witzenberg has implemented a community satisfaction survey for public facilities and amenities and achieved an overall score of a "fair" perception on facilities from the community. The survey is an important tool to determine perceptions across communities and where focus and attention are required.





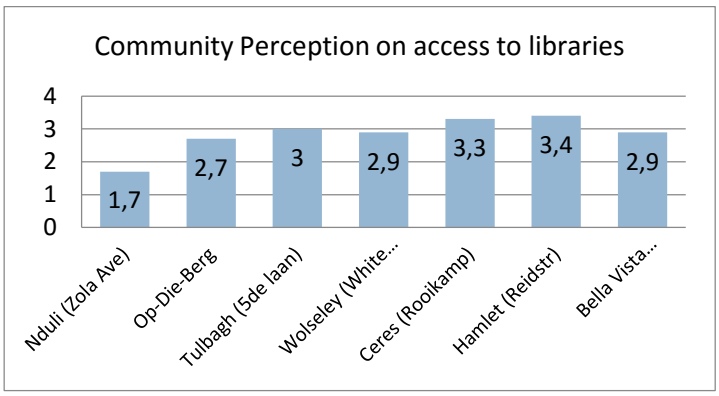
Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

To address the escalating city burial demand resulting from population growth and over capacity of existing **cemeteries**, an approximate total of 4 ha of land is required for new cemeteries. It is especially the areas of Ceres, Bella Vista, N'Duli and Op-die-Berg that are in urgent need. To address the escalating burial demand, Witzenberg will identify suitable land and establish new burial sites for the areas as mentioned. Due to scarce suitable land, the possibility exists that a regional burial site might be developed for the greater Ceres area. The cemeteries of Wolseley and Tulbagh can be extended but proper fencing is required to cope with increasing vandalism and theft. Witzenberg will also implement an electronic booking system for burials.

Libraries are generally in a good state in terms of equipment with the exception of the John Steyn Library where urgent upgrading is required.

The libraries' core functions are primarily the:

- dissemination of information
- collection building of local, indigenous and international material
- provision of reference services
- creating awareness campaigns through exhibitions
- preserving and maintaining assets



Perception scores: 1-poor, 2- fair, 3-good, 4-very good, 5-excellent

Critical Actions

Upgrade and repair of John Steyn Library

Key Performance Indicators for 2019/20

- *Annual customer satisfaction survey on community facilities*
- *96% of community services capital budget spend*
- *98% of community services operational budget spend*

- **PROGRAMME 3.1 (B): ENVIRONMENTAL MANAGEMENT**

Two nature reserves and seven critical biodiversity areas (CBAs) falls within the jurisdiction of the Witzenberg municipality. The lack of capacity to manage the mentioned areas give effect to illegal dumping, loss of endemic and indigenous vegetation due to overgrazing of livestock, illegal or overharvesting of indigenous vegetation, illegal sand mining, erosion, pollution and fire hazards due to high density of invasive alien vegetation poses a major threat to the Witzenberg natural environment. The development of nature reserve management plans followed with the appointment of a nature reserve management team for protected areas is essential to ensure the conservation and sustainability of our natural environment. Stewardship agreements between the municipality and other governmental institutions (Cape Nature) or private entities will also assist to ensure the conservation of CBA's. Law enforcement needs to expand to include monitoring of protected areas and commonage areas. Invasive alien vegetation is controlled and managed in terms of the control plans for the Ceres Mountain Fynbos nature reserve (CMFNR) and the Wolseley commonage. Draft Invasive alien species control plans for the Prince Alfred Hamlet

and Op-Die-Berg commonages have been developed and to ensure effective implementation of these plans, external funding is essential. Biological control methods will also be implemented for invasive aquatic and terrestrial plants. The main goal of the alien vegetation projects is to conserve water at mountain catchment areas, water source areas and riverbanks and also to conserve and promote biodiversity in the Witzenberg. Ceres Business Initiative (CBI) funds follow-up alien clearing and areas of low infestation projects in the CMFNR. The Environmental section is continuously liaising with national and international funders to support alien vegetation clearing projects in the Witzenberg area. Rivers in our urban areas are degrading due to illegal dumping, illegal water abstractions, agricultural and industrial activities. Monitoring and awareness programs in conjunction with governmental institutions must be implemented with farmers, local community, factories and private owners to ensure the conservation and sustainability of our river ecosystems. Specialist studies have to be done to identify erosion control methods at rivers and rehabilitation at the Dwars River will continuously be implemented. Environmental education will be supported through the "Green Fingers" project in conjunction with Cape Nature with the focus on "learning respect for the nature". Other awareness campaigns include Arbor Week and Water Week.

Air quality

Principal functions of municipalities as per National Framework for AQM

Air Quality is a function of all spheres of government, ranging from local, district, provincial and national government. The setting of municipal standards for emissions from point, non-point or mobile sources in respect of identified substances or mixtures of substances in ambient air, which through ambient concentrations, bioaccumulation, deposition or in any other way present a threat to health, wellbeing or the environment in the municipality. Municipalities have to monitor ambient air quality and point, non-point and mobile source emissions. The municipality's Air Quality Management Plan is in place and needs to be a component of the IDP. Work on the Air Quality By-law of the municipality is still in progress and should be completed by March 2019. Monitoring of compliance in respect of offensive odors caused by any activity is essential for the compilation of an atmospheric impact report. The Municipality is also challenged by budgetary constraints and is the obtaining of expensive monitoring equipment for noise levels and air emissions, not achievable at this stage. The Municipality's Air Quality Management Plan will be reviewed during May 2019.

Roaming animals

Roaming of horses and other livestock in the communities is of great concern for the municipality. Despite efforts to control the problems, it remain problematic and costly to manage. Six horses was also impounded during 2018. The Municipality appointed 11 animal monitors in Ceres, Nduli, Tulbagh, PA Hamlet and Wolseley which brought some relief to a certain extent in combatting the problems.

Wellbeing of communities

The application and regulation of the requirements of Section 24 of the Constitution must be complied with to ensure an environment that is not harmful to any person's health or wellbeing. Offensive odours, noise and dust by means of the use of monitoring equipment should be investigated. The municipality currently does not own any monitoring equipment, thus there is a need for obtaining measuring equipment to combat offences in this regard sufficiently.

Key Performance Area 4:

SOCIO-ECONOMIC SUPPORT SERVICES

OBJECTIVE 4.1:

SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

OBJECTIVE 4.2:

CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

Witzenberg Day for the Aged

Key Performance Area 4

D. SOCIO-ECONOMIC SUPPORT SERVICES

I. OBJECTIVE 4.1: SUPPORT THE POOR AND VULNERABLE THROUGH PROGRAMMES AND POLICY

▪ PROGRAMME 4.1 (A): SOCIAL DEVELOPMENT PROGRAMMES

Witzenberg is committed to the development of its **youth,** and recognises the important part they play in society. Young people living in Witzenberg face a number of challenges on a daily basis: Not only are youth unemployment levels high, but substance abuse, particularly drug abuse, is on the increase. In order to facilitate youth development and support, Witzenberg will improve its capacity to deliver on its various programmes. The programme interventions supporting youth development are multifaceted, taking into account the many challenges facing the youth.

The following major youth programmes will be implemented:

- Skills development, including personal assessment, development plans and career pathing, entrepreneurial skills, income opportunity skills, technical training and computer skills development.
- Youth programmes with the focus on building physically, emotionally and spiritually healthy citizens who can contribute meaningfully to the community in a socio-economic context by means of nation-building programmes
- Capacity building in the fields of organisational development, leadership skills training, moral regeneration and train-the-trainer initiatives.
- Greater awareness of youth at risk, teenage pregnancy, HIV/Aids, substance abuse, the risks of gang involvement, etc.
- Getting youth involved in public participation processes
- Creating platforms for youth to engage around topical issues that affect them, so that they can take ownership and advocate for change, where necessary.
- Putting practical monitoring and evaluation mechanisms in place to ensure that programmes and interventions are relevant and that those doing youth work are held accountable.
- Innovative IT development solutions to facilitate access.
- Creating linkages between corporate entities and assessed youth with a view to possible permanent employment.
- Essen Witzenberg Youth Placement Programme – identified youth will be trained and placed at host companies to gain experience
- Youth Focal Point initiative in the five municipal towns to functions as:
  Information point to the youth (information hub), accessing work opportunities and assisting with the implementation of youth programmes on community level
- Creating platforms and opportunities for the youth to grow in various art forms such as dancing, drama and craft skills
- Linking the youth with skills training opportunities such as professional cooking

Substance abuse is a priority area, given the high incidence of drug and alcohol abuse in Witzenberg. The substance abuse programme focuses on prevention, intervention, suppression and coordination services with other spheres of government.

HIV is a reality in Witzenberg and thus the HIV programme focuses on awareness, early intervention and prevention.

Poverty alleviation requires a targeted effort to care for the marginalised and vulnerable in

Witzenberg. Given the current economic environment of ever-higher unemployment and the increasing number of residents living below the poverty line, indigent programmes and other economic enabling measures require urgent attention. The main thrust of the programme is to facilitate the resources and conditions required to satisfy poor communities' physical, social and psychological needs. The current focus of the programme is to support food production and security through the establishment and maintenance of food gardens. Food gardens help improve household food security and people's nutritional status, and also offer an opportunity for a group of people to come together and produce food collectively.

People living with disabilities programme recognises the various challenges experienced by people with disabilities. Witzenberg focuses on awareness-raising initiatives concerning disability in order to break down the barriers and promote and foster social integration and opportunities for persons with disabilities. The programme interventions are aimed at empowering and promoting a fully inclusive society for persons with disabilities. Support to caregivers and parents of disabled children is another goal of this programme. Life skills, hand skills and social skills are some of the main areas of intervention for youth who are differently disabled.

The **Gender programme** create an enabling environment that celebrates women rising above adversity, Witzenberg seeks to raise awareness of domestic and gender-based violence as well as the support services on offer to both women and men. The following programmes are provided in collaboration with numerous partner organisations:

- Women's Day events celebrating women rising above adversity
- Training to create greater awareness of domestic and gender-based violence
- Fatherhood training programmes, which entail the training and education of young men and fathers to improve gender relations and to facilitate prevention and early intervention in respect of domestic and gender-based violence
- Awareness programme on domestic and gender-based violence during the 16 Days of Activism campaign

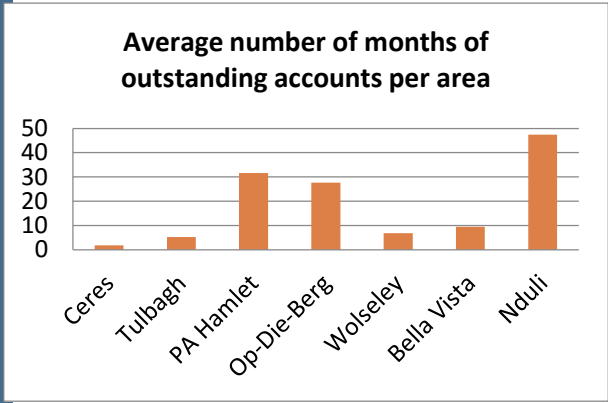
The **Protection of vulnerable children programme** is focused on coordinating services of all NGOs/FBOs and government departments in the field of working with children and their families.

- Awareness and prevention of child abuse and child neglect.
- Fire, water and road safety awareness campaigns in collaboration with the relevant stakeholders.
- Support and assistance to other departments/stakeholders working with children.

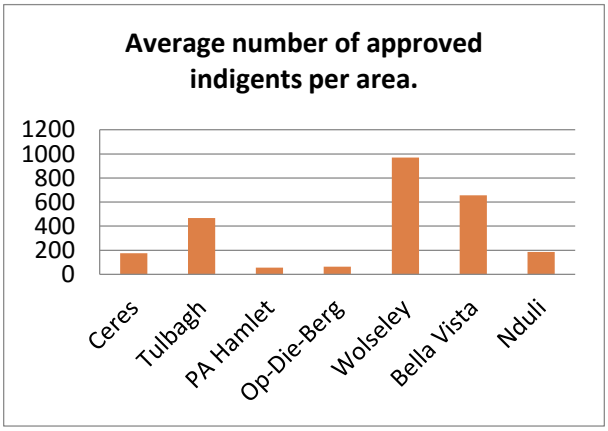
The **Early childhood development** (ECD) programme supports quality ECD services with a variety of development components, such as ECD training, expansion and awareness, as well as the construction of ECD facilities. This also includes supporting and strengthening the role and function of the Witzenberg ECD Forum.

▪ PROGRAMME 4.1 (B): INDIGENT SUPPORT

Witzenberg supports the poor through its Indigent Policy and subsidises municipal services to approved households with an income of R3 000 or less per month. The total subsidy value per month is approximately R1,2m. The outstanding debt of indigents of around R15m remains a challenge as no credit control procedures are currently implemented against indigents.



The table below gives an indication of the number



of indigents per area. The low numbers for areas such as Prince Alfred's Hamlet, Op-die-Berg and N'Duli are particularly clear. The main reason being the ineffectiveness of debt control measures as discussed under programme 2.2(a). The table above indicates the outstanding debt per area to show how it compares with the number of indigents per area.

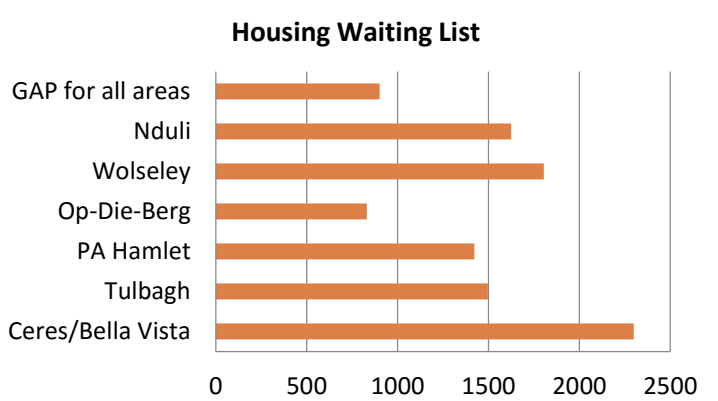
▪ PROGRAMME 4.1 (C): HOUSING PROGRAMME

One of the Witzenberg's biggest challenges relates to growing informality – the expansion of informal settlements and the rising number of households living in makeshift shelters in backyards. Witzenberg needs to ensure integrated sustainable human settlements and access to housing for those in need in an incremental manner.

Interventions will require significant additional capital investment, together with a fundamental reconsideration of how to deliver more opportunities to access housing in an incremental, more rapid and more integrated, sustainable manner. Key elements for successful urban restructuring include higher-density housing developments in well-located areas, major improvements in public transport to link fragmented places, and higher employment levels in townships and informal settlements.

The table below gives an indication of the number of people on the municipals housing waiting list. Although the statistics includes farm residents and people from informal settlements, it is expected that the need might be much higher. The total of people on the waiting list amounts to approximately 8 313 with the agricultural sector indicating that the need of farm dwellers to obtain houses could also amount to approximately 9 000.

There are approximately 12 000 residential consumers that receives services from the municipality and if the need indicated are to be accommodated all towns in the Witzenberg will have to be doubled. Currently the existing resources and infrastructure are not available to accommodate such a growth and it is not expected that it would be able in the near to medium future.



	Ceres/ Bella Vista	Tulbagh	PA Hamlet	Op-Die-Berg	Wolseley	Nduli	GAP for all areas
Series1	2299	1496	1422	832	1805	1625	901

Witzenberg will implement the following projects over the next couple of years:

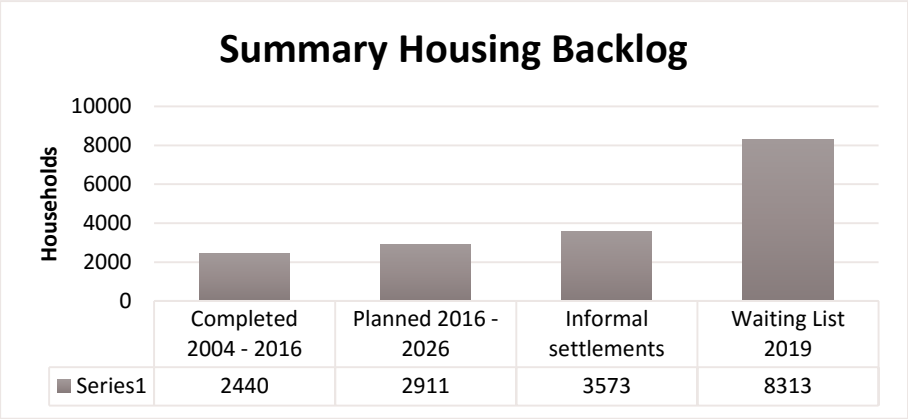
Project	***2018/19***			***2019/20***			***2020/21***		
	Sites	***Houses***	***Funds***	***Sites***	***Houses***	***Funds***	***Sites***	***Houses***	***Funds***
Vredebes (2911)		***30***	***R3.9 m***		*200*	*R27 m*	*200*	*200 (IRDP)* *50 (FLIPS)*	*R26 m* *R3 m* *R12m*
N'Duli (planning money only)	***0***	***0***							*R558*

Dependant on the allocation of funding from Provincial Government.

Gap (affordable) housing

The term 'gap housing' refers to houses that are provided to households earning between R3 501 and R22 000 per month, who are not provided for by the private sector or the state. The number of people seeking homes in the R150 000 to R350 000 price range has been growing steadily in the past years. The municipality recognises the critical importance of supplying houses within this price range for the proper functioning of the overall residential housing market. In this spirit, Witzenberg has undertaken the sale of serviced plots at reduced prices to enable buyers to build their own homes on a piecemeal basis via access to short-term loans or with employer assistance. The table below gives an indication of progress made in terms of the provision of housing over

the past couple of years and the planning for the future.

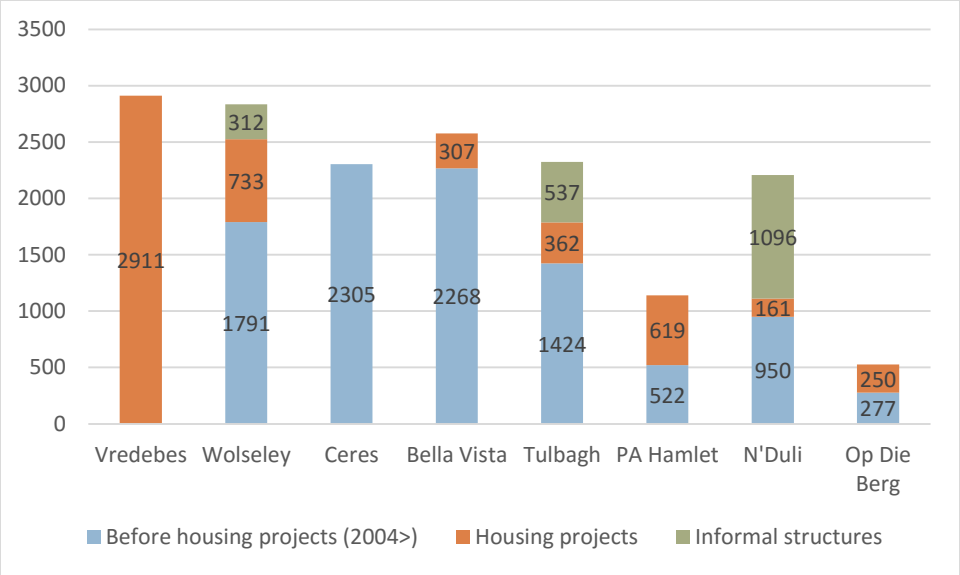


Resources and bulk infrastructure remains a major challenge in achieving planned targets. Witzenberg is in process of implementing the Bella Vista (307 units) and Vredebes (2 800 units) housing projects. Both these projects require significant bulk infrastructure upgrades. The Bella Vista project were completed in 2017 with the Vredebes project being developed over the next couple of years depending on the availability of funding to complete bulk infrastructure.

All bulk water and sanitation infrastructure required should be completed by 2018 with the construction of houses can start. The upgrading of the adjacent R44, bus routes, bulk stormwater, and link road however require in the access of R150m. It should also be noted that the project's electricity requirements are approximately 5MVA of which Eskom cannot supply due to insufficient bulk capacity as discussed under Programme 1.1(a).

Witzenberg is committed to creating sustainable, integrated human settlements rather than merely providing low-cost housing. The Vredebes project when completed will have a significant influence on the municipal financial viability, service delivery, transport network and Ceres CBD. The Provincial Government will assist Witzenberg through the Regional Social and Economic Programme (RSEP) to develop an implementation plan for Vredebes to ensure an integrated and sustainable community. The main focus would be to ensure the buy-in of all sectors such as education, social and economic development, security, etc. and to align the construction of houses with the availability of social and technical infrastructure.

The table below gives an indication of the size of Vredebes. It also provides the number of beneficiaries per town over the past couple of years.



Rental stock disposal programme

During the 1980s, government initiated the discount benefit scheme to encourage tenants and sales debtors to acquire ownership of their saleable housing units. An asset management improvement programme will soon be finalised, which will enable Witzenberg to better manage and maintain its assets especially in terms of rental stock. To meet this need, Witzenberg will assess the possible sale or transfer of rental stock to clearly identified beneficiaries according to prescripts of the National Housing Codes. This will allow for a sense of ownership for community members and support economic independence for beneficiaries. Approximately 240 of these rental units are earmarked for transfer to tenants over the next three years.

Achievements

Rental stock properties transferred since 2017/18(2014/15) – 193 properties

- **PROGRAMME 4.1 (D): JOB CREATION**

The Expanded Public Works Programme is a national government programme that aims to provide social protection through the creation of jobs. The programme's mandate is "to contribute to development by providing work opportunities to poor and unemployed people in the labour-intensive delivery of public and community assets and services". An existing operating procedure will be updated that would include the maintenance of register for job seekers to be utilised with EPWP recruitment. The Department of Public Works Conditional Grant will be utilised to complement service delivery in the municipality, such as assistance to youth, maintenance of parks, rivers and open spaces, as well as road maintenance. Workers on the programme can also benefit from training initiatives (where funding is available).

II. OBJECTIVE 4.2: CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

▪ PROGRAMME 4.2 (A): LOCAL ECONOMIC DEVELOPMENT

Witzenberg Municipality is committed to support local economic development not only through various programmes but also through the construction and upgrading of infrastructure. Witzenberg developed an Investment Incentive and retention policy framework in 2014 as well as an Economic Development Strategy. The LED Maturity Assessment Report of January 2015 indicated shortcomings and the municipality will review the strategy in 2017/18. The implementation of the existing strategy is measured on a bi-annual basis.

Witzenberg Municipality has supported SMME developments through the following projects.

- SEDA training
- Registration of businesses on municipal and provincial supply chain databases
- Meetings with business forums
- Supply chain workshops
- Annual SMME indaba
- CWDM seed funding support
- Facilitating accredited New Venture Creation course for SMMEs
- Providing information on funding opportunities to SMMEs, as well as assisting with funding applications

Other interventions that are currently being implemented or planned for 2019/2020 are as follows:

- Investigate the development of dignified and accessible trading facilities
- Review of informal trader (street traders and spaza shops) by-law
- Tourism improvement: Develop and profile (branding) Ceres as a family destination
- Ceres tourism business plan
- Upgrade existing municipal tourism facilities
- Develop a Ceres integrated information digital platform
- Development of a business hub in Ceres
- Township tourism opportunities
- Upgrade Wolseley train station
- Bee extraction facility
- Review of LED strategy
- Contractor development initiatives
- Link SMMEs to be absorbed in value chains of local economy

Witzenberg agriculture has indicated that an anticipated growth of the primary agri-sector of between 5% - 8% is expected over the next five years. It was further indicated that secondary processing will grow by more than 10%. Such growth expectations will have a significant influence on Witzenberg in terms of the following:

- Need for serviced industrial land for agro-processing plants
- Increased need for bulk services such as water, sanitation and electricity
- Increased road usage especially by heavy vehicles
- Increased job availability
- In-migration of workers leading to expansion of informal areas
- Increased income for municipality on rates and taxes
- Increased dependant on indigent subsidy during off-season

A major threat that would undermine the expected growth is the unavailability of electricity due to bulk provision incapacity of Eskom as discussed under Programme 1.1(a), as well as the ongoing water scarcity.

Witzenberg has developed a good relationship with the **Department of Rural Development and Land Reform** over the past couple of years and has

implemented several bulk infrastructure projects that support economic growth funded by Rural Development. As Witzenberg has been identified for the development of an **Agri-Park** with the Agri-hub situated in the Skoonvlei Industrial area, Ceres, it is expected that the relationship will continue in the future. Infrastructure projects that were completed in the past year as part of the Agri-Park initiative included the upgrade of Boerneef Street and bulk electricity network to a total value of R50m. The infrastructure has unlocked several private initiatives which included an R80m fruit packaging facility that created 200 permanent jobs. Several more roads need to be upgraded that would enable the development of more private invested facilities not only for the larger business but also for small and upcoming business.

Tourism

Witzenberg Municipality has a service level agreement (SLA) with three local tourism associations that conduct marketing of the municipal area and local established businesses in order to draw investment and trade to the area. Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership holds businesses accountable to ethical norms and standards for the industry, and to a code of conduct.

Their functions include:

- Marketing the area, events and activities.
- Creating opportunities for transformation, niching, diversification and support of new stakeholders.
- Ensuring that tourism development remains on trend.
- Promotion and development of Accessible Tourism.

Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with district, provincial and national stakeholders to develop the Witzenberg brand through attraction of tourists, awareness campaigns, roadshows, expos, events and festivals. Tourism further aims to train and skill local entrepreneurs to meet tourism-related demands, and provide the requisite services and products necessary to promote local trade and economic development.

- To enlist new members and plan for the growth of both operations and market.

As per our SLA with Witzenberg Tourism, which is an external entity to Witzenberg Municipality, we have the following strategic priorities:

- Promotion of our towns as travel destinations and as film and photoshoot locations (with attractive scenes in farm and desert areas, mountains, snow, and skylines.)

- Promotion and protection of the local towns, events and the municipal brand.
- Promotion of conservation and Green Tourism. Provision of statistical research and data outputs.
- Promotion of Agri-Tourism.
- The growth and expansion of tourism.

Witzenberg Tourism runs educational packages with schools, front of house staff, and local stores to promote clientele service. The entity also sources courses such as first aid training, communication, administration and hospitality to help local businesses improve their output and skill levels.

Part of the municipality's agreement with Witzenberg Tourism is to expand the broad demographic of tourism to encompass culture, heritage, diversity and transformation. We aim to develop two new travel routes within Witzenberg to promote social cohesion as well as introduce formal trade to township and rural areas.

Witzenberg Tourism has produced tear-off maps which are distributed to points of sale with high traffic, providing location and contact details of local tourist attractions. They have also produced a joint brochure called the Witzenberg Meander, covering activities throughout the municipality.

Tourism bureaus for Wolseley, Ceres and Tulbagh also created their own brochures with niche marketing of their sectors in conjunction with social media promotion through Facebook and websites. Witzenberg Tourism has been successful in marketing the destination to visitors within South Africa as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism.

Witzenberg Tourism also conducts quarterly educational visits of the areas to tourism authorities outside of our borders as well as to journalists, media groups and bloggers, in order to review and publicise the activities and services offered in the area. A significant area of focus in the IDP for tourism is access to qualitative and quantitative research, specific to our area.

Ceres Business Initiative

The Ceres Business Initiative was originally founded as the Ceres Chamber of Commerce in 1936. The institution represents various business and enterprise areas in the Witzenberg area. The Witzenberg Municipality has a good relation with the CBI and plays an important supporting role in achieving the following goals of CBI:

- Building bridges between the municipality & the business community.
- Ensure that the town is clean & safe
- Accomplish economic growth, create opportunities for entrepreneurs
- To consult with the municipality regarding service delivery.

CBI has initiated several opportunities for small and upcoming entrepreneurs with support from its members and other role-players.

PROGRAMME 4.2 (B): UTILISING MUNICIPAL AND PUBLIC PROPERTY TO SUPPORT ECONOMIC GROWTH AND SUSTAINABLE DEVELOPMENT

Witzenberg completed a land audit in 2009 indicating all municipal and public properties. These properties are categorised with the focus on underutilised properties. The land audit is updated regularly and an implementation plan was developed with annual implementation targets. The purpose is mainly to sell or make available underutilised municipal property to leverage growth, support economic development

and job creation with the focus on sustainable development especially in poor communities.

Economic benefits include:

- small-business development through support initiatives stimulating local economic activity and possible job creation
- the creation of potential opportunity streams through mixed-use activities
- encouraging and enhancing entrepreneur-ship across various key sectors.

Witzenberg will, in conjunction with the Department of Rural Development and Land Reform and the Department of Agriculture, investigate the utilisation of **commonage land as part of the Agri-Park development**. The main purpose would be to grow the local economy, job creation and empowerment of the previously disadvantaged.

The investigation should give an indication of the preferred commodity as determined by soil conditions and available markets, but also water availability and support by existing commercial farmers.

Large tracks of commonage has been identified as Critical Biodiversity Areas. These areas are however not managed and protected as it is being overgrazed and illegal dumping occurs in some areas.

It is therefore necessary to investigate if the land can be utilised in a more effective manner that would contribute to the community's wellbeing.

INTERNAL MONITORING AND REPORTING

Measuring of performance on Strategic Objectives is measured through the Service Delivery and Budget Implementation Plan as included in Chapter 7. The results are published in the Annual Report.
Departmental indicators are included in the Departmental SDBIP with monthly internal reporting to managers.

5 MANAGEMENT AND GOVERNANCE

A. COUNCIL STRUCTURE

B. COMMITTEE SYSTEM

Executive Mayor
Barnito Klaasen

Executive Deputy
Mayor Karriem Adams
(Ward 6) - DA

Chairperson:
Community Development

Members: Councillors
Daniels
N Phatsoane
G Laban

Cllr. Ronald Visagie
(Ward 4) - DA

Chairperson:
Technical Services

Members: Councillors
D Swart
R Simpson
M Mdala
M Jacobs

Cllr. Elisabeth Sidego
(Ward 11) - DA

Chairperson:
Human Settlements

Members: Councillors
J Phungula
Z Mzauziwa
S Hugo

Cllr. Trevor Abrahams
(PR) - DA

Chairperson:
Local Economic Development and Tourism

Members: Councillors
C Lottering
P Heradien
H Visagie
M Jacobs

Alderman Hennie Smit
(Ward 5) - DA

Chairperson:
Corporate and Financial Services

Members: Councillors
D Kinnear
Alderman J Schuurman
T Mgoboza

C. AUDIT COMMITTEE

Members of the Performance, Risk and Audit Committee	
Mr J George (Chairperson) 2 Dickens Close, Somerset Park, Van der Stel, SOMERSET-WEST 7130 Telephone: Facsimile: Cell: (062) 655-0455 E-mail: jonathang@quantumadvisory.co.za	Mr Jean Basson (Deputy Chairperson) PO Box 220 11 De Keur Street KOUE BOKKEVELD 6836 / SANLAM Building, Voortrekker Street, Ceres Telephone: (023) 317-0946 (H) Facsimile: (086) 541-9273 Cell: (083) 412-8783 E-mail: jeanba@just.property
Mr Ameen Amod 5th Floor, 56 Shortmarket Street, CAPE TOWN 8001 Telephone: (021) 488-9500 (076) 426-4251 (PA) Facsimile: (086) 508-9221 Cell: (083) 212-9221 E-mail: ameen@mtnselect.co.za E-mail 2: ameenamod@mweb.co.za	Mr Tsepo Lesihla 24 Coatbridge Crescent Parklands MILNERTON RURAL 7441 Telephone: (021) 407-6431 (W) (021) 556-1010 (H) Facsimile: Cell: (079) 849-2732 E-mail: tsepo@maqheka.com
Mr. SA Redelinghuys 24 Breë Street, PRINCE ALFRED'S HAMLET Telephone and facsimile: (023) 313-3554 Cell: (083) 270 4801 E-mail: fanusr@gmail.com	

D. ESTABLISHMENT OF WARD COMMITTEES

Through the establishment process, it is intended that members of the community will understand the purpose and potential benefits of the Ward Committee System. Community members would also be in a better position to make informed decisions with regard to nominating and electing appropriate members of Ward Committees and be able to hold Ward Committees accountable once they are established.

For the month of September 2016 Witzenberg Municipality had an intensive mobilisation campaign on the process for the establishment of Ward Committees. On 30 September 2016 the nomination process closed.

The verifications on nominations were done, some candidates were only disqualified after verifications were done. Candidates were disqualified if they were not registered voters, if they were nominated in the wrong voting district, if they were not nominated by a registered voter, if they were nominated by a voter that was not registered in the same voting district as the candidate, and if nominations were received after the deadline of 30 September 2016.

The election process was facilitated by contract workers who also did duty as contract workers for the Independent Electoral Committee (IEC) during the 2016 Local Government Elections. The elections in the different wards took place on 24, 25 and 26 October 2016. **The newly elected Ward Committee inauguration took place on 28 February 2017.**

E. MACRO MANAGEMENT

David Nasson

Municipal Manager

Email: david@witzenberg.gov.za

Monwabisi Mpeluza

Director: Corporate Services

Email: monwabisi@witzenberg.gov.za

Joseph Barnard

Director: Technical Services

Email: joseph@witzenberg.gov.za

Directors Community Services and Finance vacant

6 STRATEGIC FINANCIAL OUTLOOK

A. EXECUTIVE SUMMARY

The 2020 National Budget Review emphasised that over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years. In addition to the weaker growth that the South African economy has experienced, it has been hit by the global Covid-19 pandemic.

These factors may jeopardise South Africa's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.

South Africa was downgraded by two rating agencies. The downgrading may have a negative impact on prices of all commodities imported as well as interest rates. These economic challenges will continue to pressurise municipal revenue generation and collection levels. Hence a conservative approach is advised for projecting revenue. Municipalities will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. Municipalities along with other sectors will play a key role in reviving and reforming the economy of a post covid-19 South Africa.

B. FINANCIAL STRATEGIC APPROACH

The 2020/21 MTREF process commenced with a technical analysis of previous years' performance outcomes, an assessment of the economic outlook, and consultation with various role-players. The process encompassed the following:

- Framework for and strategic direction of the budget provided by the MAYCO
- Long-term Financial Plan presentations to Council.
- Eskom's application for electricity tariff increases to the National Energy Regulator of South Africa (NERSA).

C. FINANCIAL MODELLING AND KEY PLANNING DRIVERS

The outcome of the LTFP modelling incorporated the assumptions outlined in the paragraphs below on which the 2020/21 MTREF was compiled. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- Higher-than-inflation repairs and maintenance provision to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of Witzenberg Municipality assets;
- Higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as employee related costs;
- The assumption of a 95% capital expenditure implementation rate;

- Credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items;
- National and provincial allocations as per the 2020 Division of Revenue Act (DORA); and
- Province's 2020/21 MTREF allocations circular to municipalities.

D. ECONOMIC OUTLOOK/EXTERNAL FACTORS

The sluggish growth experienced in the South African economy is aggravated by the drought conditions, constraints in electricity supply decline in business confidence and the Covid-19 pandemic. The value of the rand against the US dollar and Euro has declined continuously over the past three years and the covid-19 pandemic has placed a damper on exports. The Covid-19 pandemic will have a negative impact on the export market which is a major contributor to the economy of the Witzenberg area.

Unemployment may increase during the coming months which will put the municipality under pressure in terms of collections.

E. NATIONAL AND PROVINCIAL INFLUENCES

Conditional grant funding targets delivery of national government's service delivery priorities. It is imperative that Witzenberg Municipality understands and complies with the conditions stipulated in the Division of Revenue Act (DoRA) in order to access this funding. The equitable share constitutes unconditional funding, and is designed to fund the provision of free basic services to disadvantaged communities.

F. EXPENDITURE ANALYSIS – A THREE-YEAR PREVIEW

I. GENERAL INFLATION OUTLOOK AND ITS IMPACT ON MUNICIPAL ACTIVITIES

The MFMA Budget Circular for 2020/2021 indicates the following inflation forecasts:

2020/2021	4,5%
2021/2022	4,6%
2022/2023	4,6%

II. INTEREST RATES FOR BORROWING AND INVESTMENT OF FUNDS

Changes in interest rates will not affect the budget over the medium term as the interest rates on most of the existing loans are fixed. The interest and redemption expenses will decrease as loans are being redeemed.

III. COLLECTION RATE FOR REVENUE SERVICES

The collection rate for revenue service will be under more pressure due to the weak

economic outlook. Prepaid water meters will be installed to reduce the provision for impairment of water debtors.

IV. SALARY, WAGES AND RELATED STAFF EXPENSES

The increase in employee-related costs is expected to be more than the inflation forecast as per collective agreement. The 2,5% notch increase will increase the employee-related costs even further. The job descriptions of all employees are in the process of being re-evaluated – the outcome of the evaluations is still unknown but it is expected that the salaries of some employees will increase.

V. REPAIRS AND MAINTENANCE

Higher-than-inflation repairs and maintenance provision is made in the budget to attain nationally benchmarked levels, thereby ensuring and enhancing the preservation of Witzenberg Municipality assets.

VI. DEPRECIATION

Depreciation charges will increase on an annual basis due to new assets being added to the asset register through the capital budget.

G. REVENUE ANALYSIS – A THREE-YEAR PREVIEW

I. GROWTH OR DECLINE IN MUNICIPAL TAX BASE

The revenue base is growing but the rate is not sufficient to support improved service delivery. The majority of the economic development in Witzenberg occurs in the rural areas where the municipality is not the service provider. The Skoonvlei area is being developed as an industrial area with assistance from Rural Development to attract industries to the town areas and to create job opportunities.

II. MAJOR TARIFFS AND CHARGES: ECONOMIC AND TRADING SERVICES

Witzenberg Municipality strives to keep tariff increases below inflation. The three-year indicative tariffs are determined for major services to illustrate the financial effect of medium-term operational and investment plans.

III. PROPERTY RATES

Property rates revenue is used to finance municipal functions other than economic and trade services. Property rates revenue is subsidised by the surpluses from economic and trade services. Property rates tariffs are therefore increased with more than the inflation forecasts. A new valuation roll will be implemented. The average valuations will be higher than those of the previous roll, but tariffs will be adjusted downward to limit the effect of the increased valuations. The limitations on property rates tariffs of Agricultural Property, Public Service Infrastructure and Public Benefit Organisation Property has a negative effect on the possible rates revenue.

H. IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES ON OPERATING REVENUE

I. 2020 DORA

Allocations and grants to Witzenberg Municipality are included in the DoRA.

The equitable share allocation is utilised to fund the provision of free basic services to indigent households.

The Municipal Infrastructure Grant is mainly allocated to the provision of bulk service infrastructure to new low cost housing projects.

The Regional Bulk Infrastructure Grant is earmarked for Bulk Water Storage for the Tulbagh area.

II. MAJOR PARAMETERS

The following table summarises the major parameters applied to the operating budget:

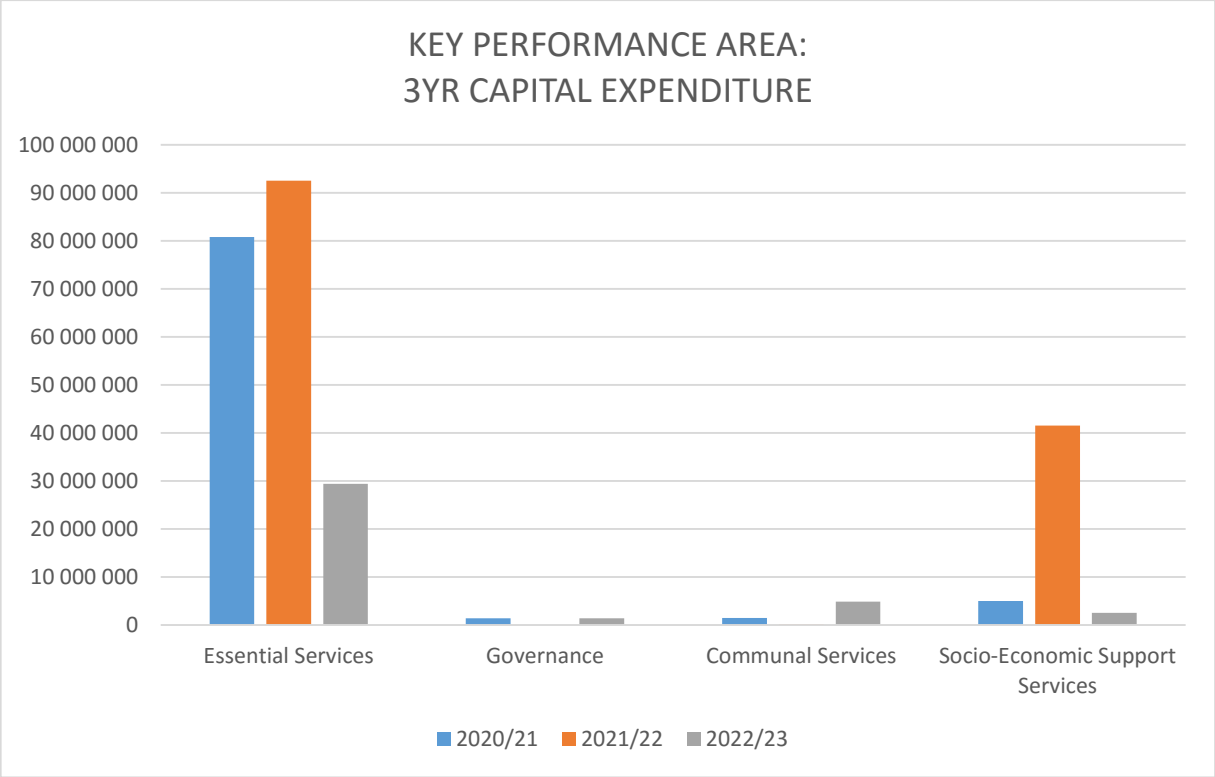
Description	Budget year 2020/2021	Budget year + 1 2021/2022	Budget year + 2 2022/2023
CPI	4.5%	4.6%	4.6%
Collection rate	93%	93%	93%
Tariff Increases:			
Rates	6%	7%	5%
Electricity - Residential	6.22%	7.92%	9.21%
Electricity - Business	6.9%	8.64%	10.39%
Water consumption - Residential	0%	6%	6%
Water consumption - Business	6%	6%	6%
Sewerage	6%	6%	6%
Refuse removal	6%	6%	5%
Equitable share allocation	R 102 mil	R 112 mil	R 122 mil
Total grant allocations	R 201 mil	R 252 mil	R 198. mil

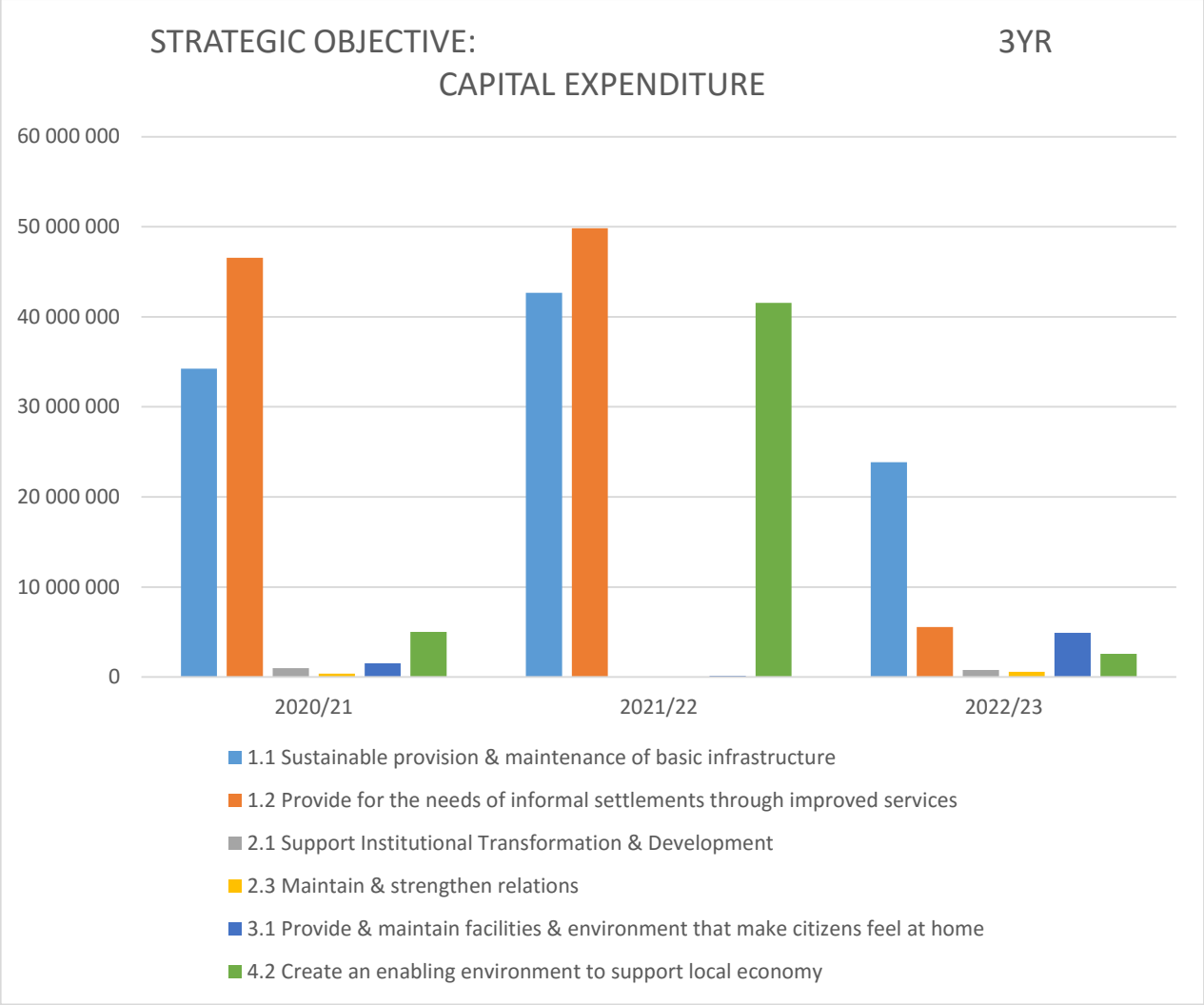
I. CAPITAL INVESTMENT FRAMEWORK

The past couple of financial years, capital investment were dominated by bulk infrastructure projects linked to especially the Vredebes subsidized housing project. The majority of the required bulk infrastructure has been completed and construction of houses and servicing of sites has commenced. No top structures will be constructed in the next two years due to the incapacity of Eskom bulk supply electricity network to Witzenberg. It was indicated that upgrading of the electricity supply lines would start in the next two years after which capacity should be sufficient to start with top structures again. With regards to housing the focus would be on the servicing of an additional 520 sites at Vredebes with the purpose to accommodate the informal settlement at Nduli which should be upgraded the year after. Major projects mainly include the construction of a storage dam in Tulbagh that will be phased over 2 years, and other network upgrading for water/sanitation and electricity services.

The construction of a new Material Recovery Facility where solid waste will be recycled will commence as well as the upgrading of the Van Breda Bridge in Ceres.

In terms of the Witzenberg Strategic Map, the bulk of the funding is allocated to the key performance area of Essential Services with the strategic objectives related to the provision of services receiving the majority of capital funding as indicated in the graphs below.



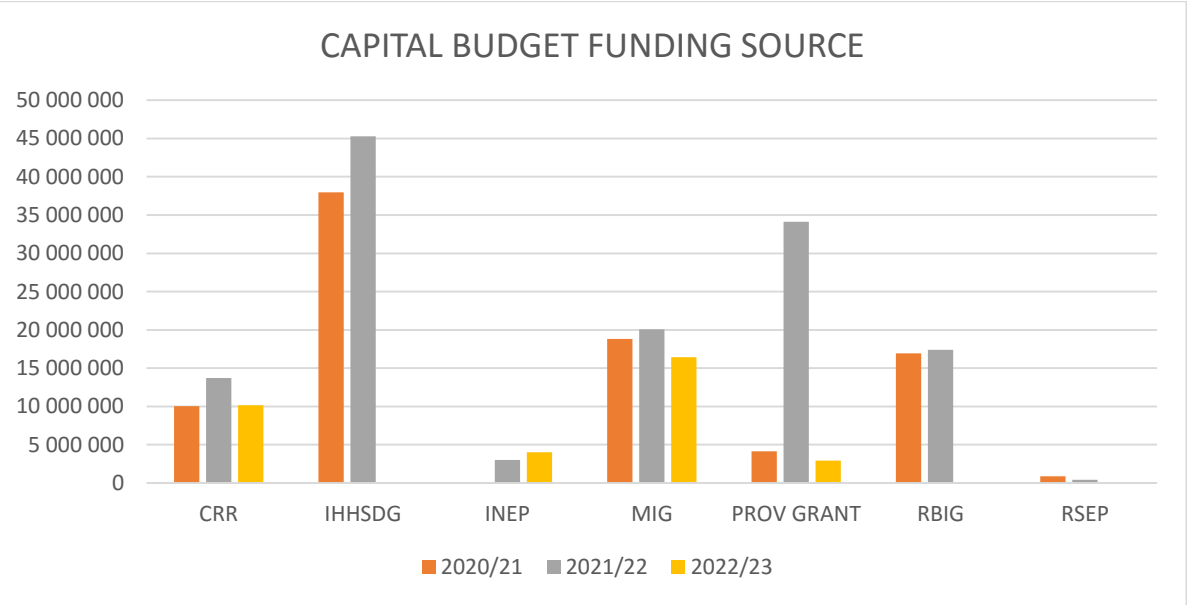

STRATEGIC OBJECTIVE: 3YR
CAPITAL EXPENDITURE
60 000 000
50 000 000
40 000 000
30 000 000
20 000 000
10 000 000
0
2020/21
2021/22
2022/23
1.1 Sustainable provision & maintenance of basic infrastructure
1.2 Provide for the needs of informal settlements through improved services
2.1 Support Institutional Transformation & Development
2.3 Maintain & strengthen relations
3.1 Provide & maintain facilities & environment that make citizens feel at home
4.2 Create an enabling environment to support local economy

Funding Sources

The Capital Budget is funded by the following sources:

Funding Source Name		Institution	Purpose
Capital Replacement Reserve	CRR	Municipality	Mainly upgrading and equipment
Integrated Housing and Human Settlements Development Grant	IHHSDG	Dept. of Human Settlements	Capital funding for internal social housing developments' infrastructure networks as well as related bulk infrastructure. *Funding for top structures (houses) is included in the operational budget.*
Municipal Infrastructure Grant	MIG	Dept. of Cooperative Governance	Infrastructure that supports the poor, mainly bulk infrastructure related to social housing projects.
Regional Bulk Infrastructure Grant	RBIG	Dept. of Water Affairs	Bulk water and sanitation related projects.
Integrated National Electrification Programme	INEP	Dept. of Energy	Electrical networks for social housing projects.
Regional Socio-Economic Programme	RSEP	Provincial Government	Socio-economic upgrading – non-motorised transport – walkways.
Twinning agreement with Essen, Belgium	Belgium	Belgium Federal Government	Support in implementation of Waste Management Strategy
CWDM	District	Cape Winelands District Municipality	Identified projects. Non-motorised Transport such as walkways & pavements
Provincial Government	Prov Grant	Western Cape Provincial Government	Various Grant related to upgrading of main roads (bridges), fire fighting vehicles, libraries

The graph below gives an indication of the contribution value of the different funding sources to the capital budget:



Detailed five-year Capital Budget

The following tables show the individual budgeted projects as allocated per ward (note that outer years are indicative and only for planning purposes)

Key Performance Area: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 SUSTAINABLE PROVISION AND MAINTENANCE OF BASIC INFRASTRUCTURE

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
1.1a Upgrading of bulk resources & infrastructure	Elec Admin	MV Substation Equipment	CRR	All	1 000 000	500 000	1 000 000	700 000	1 500 000
	Sewerage	Aerator replacement programme	CRR	All					500 000
	Sewerage	Refurbishment WWTW	CRR	All					750 000
	Sewerage	Upgrade Wolseley WWTW	CRR	2,7	1 500 000				
	Sewerage	Security upgrades	CRR	All	300 000			300 000	
	Solid Waste	Transfer stations & related infrastructure (co	CRR	3		5 317 400			
	Water	Security upgrades	CRR	All				450 000	
	Water	Tulbagh Dam	RBIG	11	16 931 304	17 391 304			
	Solid Waste	New Material Recovery Facility/Drop Off	MIG	All	9 356 350	7 066 955			
	Water	Op-Die-Berg Reservoir	MIG	8		11 279 044			
	Water	Tulbagh Reservoir	MIG	7,11				7 000 000	6 000 000
	Water	Tierhokskloof bulk pipeline	MIG	7			8 026 177		
	Water	Tulbagh Dam (own)	CRR	7,11				5 000 000	
1.1b Upgrade & maintenance of network infrastructure	Elec Admin	Upgrade of LV Network Cables	CRR	All	500 000		1 000 000		1 000 000
	Elec Admin	MV Network Equipment	CRR	All	500 000		1 000 000		1 000 000
	Elec Admin	Upgrade of MV Cables	CRR	All	500 000		1 000 000		600 000
	Elec Admin	Tools & Equipment	CRR	All				160 000	150 000
	Elec Str Lights	Upgrade of Streetlights	CRR	All				300 000	350 000
	Sewerage	Sewer Pumps-replacement	CRR	All				250 000	250 000
	Sewerage	Sewer Network Replacement	CRR	All	500 000		1 500 000	1 000 000	2 000 000
	Water	Infrastructure Management System	CRR	All					200 000
	Water	Tools & Equipment- New	CRR	All				50 000	50 000
	Water	Network- Water Pipes & Valve Replacement	CRR	All	500 000		1 500 000	1 000 000	2 000 000
	Water	Grey Water System	CRR	All					1 500 000
	Elec Admin	Electrical Network Refurbishment	CRR	All				1 500 000	1 500 000
	Stormwater	Network - Storm Water Upgrading	CRR	All				450 000	450 000
	Solid Waste	Drop-offs Transfer stations	CRR	All				4 000 000	2 000 000

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
1.1c Transport management & road maintenance	Roads	Network streets	CRR	All	1 800 000		2 000 000	2 500 000	2 500 000
	Roads	Tulbagh Steinthalweg walkways	RSEP	7,11	869 565	434 783			
	Roads	Tulbagh Steinthalweg walkways (contributior	CRR	7,11		500 000			
	Roads	New taxi facility Ceres	MIG	5		173 913	6 826 086		
	Roads	Tools & Equipment	CRR	All				50 000	50 000
	Roads	NMT Sidewalks Ceres	CRR	3,5					500 000

Key Performance Area: 1. ESSENTIAL SERVICES

Strategic Objective: 1.2 PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
1.2a Implementation of human settlement plan (serviced sites)	Elec Admin	Vredebes Electrical Network	INEP	5		3 000 000	4 000 000	3 500 000	3 500 000
	Elec Str Lights	Vredebes Phase H Streetlights	MIG	5		1 565 217			
	Roads	Nduli Infill Internal Roads	IHHSDG	1,12		11 320 000			
	Sewerage	Nduli Infill Internal Sewerage	IHHSDG	1,12		11 320 000			
	Water	Nduli Infill Internal Water	IHHSDG	1,12		11 320 000			
	Storm water	Nduli Infill Internal Storm water	IHHSDG	1,12		11 320 000			
	Water	Vredebes Phase H Bulk water pipeline	MIG	5	476 300				
	Storm water	Vredebes Phase H Bulk storm water & atten	MIG	5	4 330 552				
	Roads	Vredebes Phase H Busroutes & side walks	MIG	5	2 562 153				
	Sewerage	Vredebes Phase H Bulk sewerage pipeline	MIG	5	739 584				
	Roads	Vredebes Access Collector	MIG	5	496 800		1 565 217		16 000 000
	Roads	Vredebes Phase H Internal Roads	IHHSDG	5	9 488 502				
	Water	Vredebes Phase H Internal Water	IHHSDG	5	9 488 500				
	Storm water	Vredebes Phase H Internal Storm Water	IHHSDG	5	9 488 503				
	Sewerage	Vredebes Phase H Internal Sewerage	IHHSDG	5	9 488 501				

Key Performance Area: 2. GOVERNANCE

Strategic Objective: 2.1 SUPPORT INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
2.1b Law enforcement & traffic	Roads	Traffic Calming	CRR	All				200 000	200 000
	Traffic	Capex Test Centre	CRR	3					
	Traffic	Capex: Fire Arms	CRR	All					
2.1c Spatial / Town Planning	Town Pl	Replace computores	CRR	All	50 000				
2.1d Administration	Admin	Council chambers furniture	CRR	All	600 000				
	Dir Corp	Office Equipment	CRR	All				50 000	50 000
	Dir Com	Office Equipment	CRR	All				30 000	30 000
	Dir Fin	Office Equipment	CRR	All				30 000	30 000
	Dir Tech	Office Equipment	CRR	All				30 000	30 000
	MM	Office Equipment	CRR	All				30 000	30 000
	Project Manage	Office Equipment	MIG	All				20 000	
2.1e Fleet Management	Workshop	Construct inspection ramp	CRR	All	350 000				
2.1g Disaster management & fire fighting	Fire Fighting	Capex Fire Fighting Equipment	CRR	All				350 000	
		Firefighting Response Vehicle	Prov Grant	All			800 000		

Key Performance Area: 2. GOVERNANCE

Strategic Objective: 2.3 MAINTAIN AND STRENGTHEN RELATIONS

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
2.3a Communication & marketing	Marketing & Communications	Access Control - Furniture and Equipment	CRR	All				75 000	
		Signage & Billboards	CRR	All				80 000	
		Camera equipment	CRR	All					20 000
2.3b ICT	IT	IT Equipment	CRR	All	400 000		600 000	600 000	650 000

Key Performance Area: 3. COMMUNAL SERVICES

Strategic Objective: 3.1 PROVIDE & MAINTAIN FACILITIES AND ENVIRONMENT THAT MAKE CITIZENS FEEL AT HOME

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
3.1a Upgrading & maintenance of facilities	Halls And Facilities	Townhalls Equipment	CRR	All	40 000		40 000		
		Containers 3x3m	CRR	All				100 000	
	Public Toilets	Op Die Berg Public Toilets	CRR	8				200 000	
	Cemeteries	Expanding of Cemetery	CRR	All				200 000	300 000
		New regional cemetery	MIG	All		137 480	4 819 042	6 194 783	
	Recreational Land	Ceres upgrade Of Leyell Str Sport Facilities	MIG	3	869 565				
		Sportfield equipment	CRR	All	30 000		30 000		
		Montana security fence	CRR	2,7	540 000				
		Sportsground development	CRR	All				400 000	400 000
		Resurface netball courts	CRR	All				300 000	200 000
3.1b Environmental management	Parks	Chainsaws	CRR	All					90 000
	Parks	Brushcutters	CRR	All					120 000
	Parks	Irrigation equipment for parks	CRR	All				500 000	
	Parks	Truck 1.3 ton	CRR	All					350 000
	Parks	Containers x 2	CRR	All				50 000	
	Parks	Parks equipment	CRR	All	40 000		40 000		
	Parks	Landscaping of parks	CRR	All					300 000

Key Performance Area: 4. SOCIO-ECONOMIC SUPPORT SERVICES

Strategic Objective: 4.2 CREATE AN ENABLING ENVIRONMENT TO SUPPORT LOCAL ECONOMY

Programme	Department	Project	Funding Source	Ward	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024	Budget 2024-2025
4.2a Local economic development	Roads	Upgrade Van Breda Bridge	Prov Grant	3,5	4 130 000	34 130 000	2 130 000		
	Roads	Upgrade Van Breda Bridge (contribution)	CRR	3,5	897 826	7 419 565	463 043		
	Roads	Rehabilitation - Streets Tulbagh	CRR	11				2 500 000	3 500 000
4.2b Utilizing municipal/public property to support growth	Resorts	Chalet Furniture	CRR	3					450 000

Provincial Investment

Below is a table setting out the allocations by national / municipality for the MTEF period for Witzenberg Municipality.

Summary: Infrastructure Projects in Witzenberg Municipality

Department	Number of Projects	Value [All amounts rounded to R'000]			
		New Infrastructure Asset	Upgrades, Additions, Maintenance, Rehabilitation	Infrastructure transfers & Other	Total Value
Education	2	50000	6000		56000
Environmental Affairs & Development Planning	0	0	0	0	0
Health	8	441	22324	4865	27630
Human Settlements	4	0	0	102564	102564
Social Development	0	0	0	0	0
Transport & Public Works	3	0	135000	0	135000
Total MTEF Period	**17**	**50441**	**163324**	**107429**	**321194**

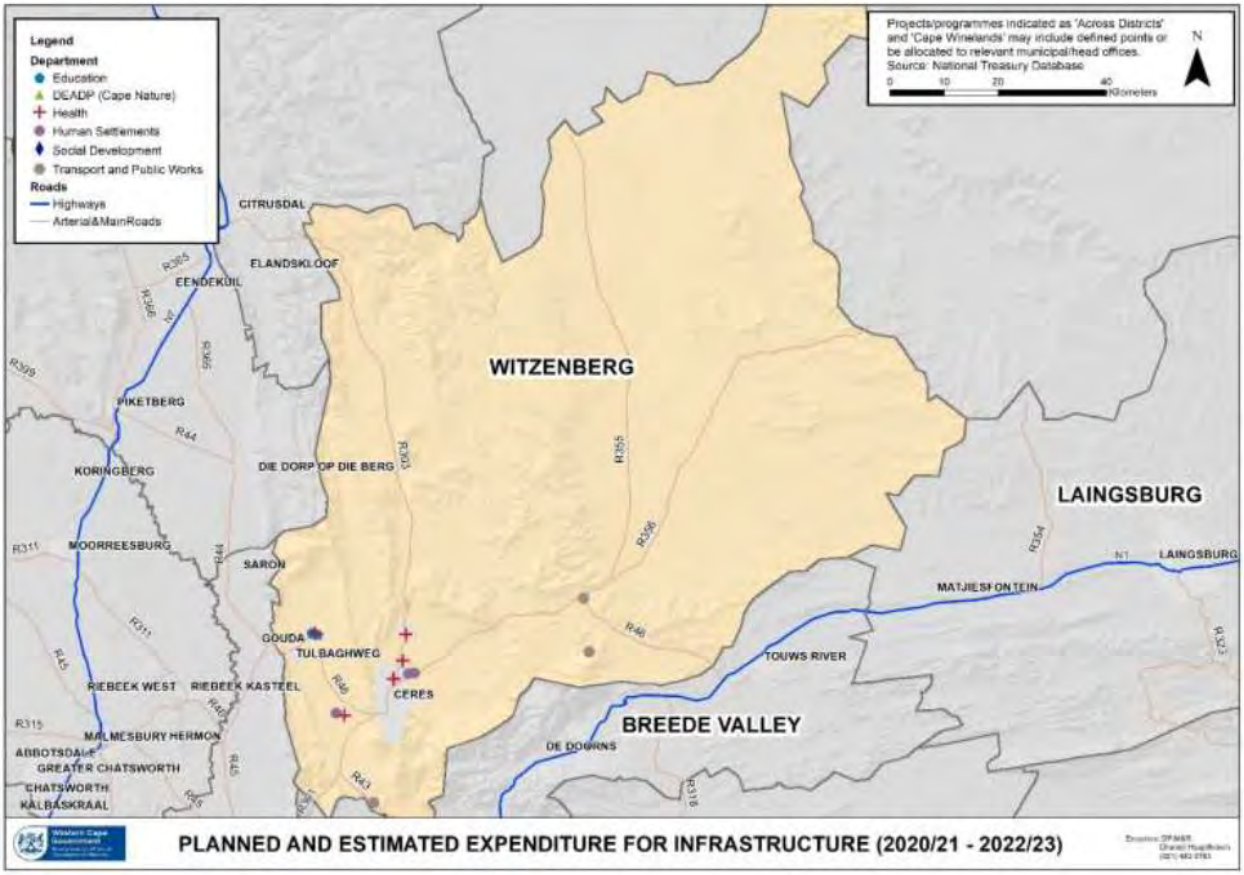
Source: Western Cape Government: Provincial Treasury

List of Provincial Infrastructure Investment Projects in the Witzenberg Municipality for the MTEF period 2020/21 – 2022/23

Department	Project Programme Name	Infrastructure type	Nature of Investment	2020/21 MTEF	2021/22 MTEF	2022/23 MTEF	TOTAL 3 YEARS
Education	DTPW050/2014: Waveren SS	Mega Secondary Schools	New infrastructure assets	25000	25000	0	50000
Education	Tulbagh HS	Mega Secondary Schools	Upgrades and additions	6000	0	0	6000
Health	CH810210 : Ceres - Ceres CDC - HT - General upgrade, extension and maintenance	Health Technology	Non Infrastructure	1000	1000	0	2000
Health	CH810225 : Tulbagh - Tulbagh Clinic - HT - Structural repair	Health Technology	Non Infrastructure	1200	200	0	1400
Health	CH810254 : Ceres - Bella Vista Clinic - HT - General maintenance (Alpha)	Health Technology	Non Infrastructure	500	500	0	1000
Health	CH830114 : Ceres - Ceres Hospital - HT - New Acute Psychiatric Ward	Health Technology	Non Infrastructure	415	50	0	465
Health	CI810079 : Prince Alfred Hamlet - Prince Alfred Hamlet Clinic - Replacement	PHC - Clinic	New infrastructure assets	1	0	0	1
Health	CI810100 : Wolseley - Wolseley Clinic - Replacement	PHC - Clinic	New infrastructure assets	440	0	0	440
Health	CI830114 : Ceres - Ceres Hospital - New Acute Psychiatric Ward	Hospital - District	Upgrades and additions	3812	216	416	4444
Health	CI830120 : Ceres - Ceres Hospital - Hospital and Nurses Home Repairs and Renovation	Hospital - District	Refurbishment and rehabilitation	610	4596	12674	17880
Human Settlements	Witzenberg: Ceres: Vredebes - 454 IRDP	Municipal project: Top Structures	Infrastructure transfers - Capital	35000	40100	3000	78100
Human Settlements	Witzenberg: Wolseley: Pine Valley Extention - 560 - IRDP	Municipal project: Planning	Infrastructure transfers - Capital	650	3000	6500	10150
Human Settlements	Witzenberg: Tulbagh: Erven 1366 & 1435-1443 - 225 - IRDP	Municipal project: Planning	Infrastructure transfers - Capital	746	0	730	1476

Department	Project Programme Name	Infrastructure type	Nature of Investment	2020/21 MTEF	2021/22 MTEF	2022/23 MTEF	TOTAL 3 YEARS
Human Settlements	Witzenberg: Ceres: Nduli: 188 Sites - UISP	Municipal project: Planning	Infrastructure transfers - Capital	1558	11280	0	12838
Transport and Public Works	C1116 PRMG Ceres - Touwsrivier	Resealing	Refurbishment and rehabilitation	0	0	75000	75000
Transport and Public Works	C1128 Worcester-Wolseley	Resealing	Refurbishment and rehabilitation	18000	1000	0	19000
Transport and Public Works	C1091 Ashton-Swellendam	Resealing	Refurbishment and rehabilitation	40000	1000	0	41000
TOTAL				**134932**	**87942**	**98320**	**321194**

Map showing the spatial distribution of Provincial infrastructure investment projects in the Witzenberg Municipality for the MTEF period 2020/21 -2022/23



7 PERFORMANCE MONITORING AND EVALUATION

The Municipal Systems Act requires that the IDP be reviewed every five years in line with municipal elections, with an annual review of the budget and progress. A Performance Management Policy Framework has been approved by Council.

The IDP is considered as the five-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Municipal Finance Management Act 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council as included in the IDP will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulations.

The SDBIP serves as a "contract" between the administration, council and community; expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councilors, municipal manager, senior managers and community to monitor the municipality's performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget, the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilised.

The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councilors to provide feedback to their communities on progress with service delivery.

Reporting on achievements are done through a mid-year report and combined in the Annual Performance report included in the Annual Report.

The tables below indicate the following:

- Strategic Map – Strategic Objectives and linkage to Key Performance Areas.
- Five-year Scorecard – Key Performance Indicators with targets linked to the Strategic Objectives
- Definitions of Key Performance Indicators

A. STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2020/21					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

B. 5 YEAR SCORECARD

KEY PERFORMANCE AREA: ESSENTIAL SERVICES

Strategic Objective: 1.1 Sustainable provision & maintenance of basic infrastructure

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
TecDir1	Percentage expenditure on the preventative maintenance budget of the Technical Department	Technical	99.6%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative maintenance budget votes of technical department. Preventative maintenance as defined according to mSCOA and excludes corrective maintenance.
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	98.3%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
TecWat21	Percentage compliance with drinking water quality standards.	Technical	100%	98%	98%	98%	98%	98%	98%	98%	98%	98%	Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml.
TecWat36	Percentage of valid water connection applications connected by reporting period end	Technical	Adjusted	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid water connection applications (where down payment has been received) connected, where the applicant has access to the municipal water network. Proxy measure for National Key Performance Indicator.
TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	Technical	Adjusted	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid sewer connection applications (where down payment has been received) connected, where the applicant has access to the municipal sewer network. Proxy measure for National Key Performance Indicator.
TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	Technical	Adjusted	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid electricity connection applications (where down payment has been received) connected, where the applicant has access to the municipal electrical network. Proxy measure for National Key Performance Indicator.
TecRef46	Access to the weekly removal of residential solid waste in all seven Witzenberg towns according to a publicised programme.	Technical	Adjusted	7	7	7	7	7	7	7	7	7	The removal of solid household waste in all formal accessible residential areas on a weekly basis in all 7 formalised towns according to a publicised programme. National Key Performance Indicator. Proxy measure for National Key Performance Indicator.
TecWat20	Decrease unaccounted water losses.	Technical	17.7%	18%	18%	18%	18%	18%	18%	16%	16%	16%	Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources.
TecEl37	Decrease unaccounted electricity losses.	Technical	10.5%	10%	10%	10%	10%	10%	10%	10%	10%	10%	Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health.
TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	7.3	4	0	1	2	4	3	4	4	4	This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced.

Strategic Objective: 1.2 Provide for the needs of informal settlements through improved

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
TecDir2	Number of subsidised serviced sites developed.	Technical	526	0	0	0	0	0	400	0	200	200	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.
TecWat22	Provide basic services - number of established informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	3	3	3	3	2	2	This indicator reflects the number of established demarcated informal areas with sufficient communal water service points. Sufficient are being defined as all households with access to water points within 200 meters radius. Certain taps may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecSan13	Provide basic services - number of established informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	3	3	3	3	2	2	This indicator reflects the number of established demarcated informal areas with sufficient communal sanitation service points. Sufficient are being defined as all households with access to toilets within 200 meters radius. Certain toilets may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecRef31	Improve basic services - number of established informal settlements receiving a periodic area cleansing programme.	Technical	3	3	3	3	3	3	3	3	2	2	This indicator reflects the number of established demarcated informal areas that are serviced with a periodic area cleansing programme. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Technical	New	95%	95%	95%	95%	95%	95%	95%	95%	95%	This indicator reflects the percentage of houses in a subsidised housing project connected to the electrical network. Proxy for National KPI.

KEY PERFORMANCE AREA: GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation & Development

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	96%	96%	25%	50%	75%	96%	96%	96%	96%	96%	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. National Key Performance Indicator.

Strategic Objective: 2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
MMIDP9	Number of IDP community engagements held.	Municipal Manager	14	14		7		14	14	14	14	14	Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.
ComSoc49	Number of meetings with inter-governmental partners.	Community	13	12	3	6	9	12	12	12	12	12	Number of Inter-Governmental meetings attended.

Strategic Objective: 2.2 Financial Viability

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	250.8	200	200	200	200	200	200	200	200	200	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	2.67	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months. Proxy for National KPI.
FinFAdm11	Financial viability expressed outstanding service debtors	Finance	50%	42%	42%	42%	42%	42%	42%	42%	40%	40%	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.
FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	Unqualified			1		Unqualified	Unqualified	Unqualified	Unqualified	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices.
FinInc15	Increased revenue collection	Finance	94%	95%	95%	95%	95%	95%	95%	95%	95%	95%	This indicator reflects the percentage of revenue collected from service accounts delivered.
MM1	Percentage expenditure on the preventative maintenance budget of the whole of the municipality.	Municipal Manager	99.6%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative maintenance budget votes for the whole of the municipality. Preventative maintenance as defined according to mSCOA and excludes corrective maintenance.
MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	95.6%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are

KEY PERFORMANCE AREA: COMMUNAL SERVICES

Strategic Objective: 3.1 Provide & maintain facilities that make citizens feel at home.

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	1	1 Report		1			1 Report	1 Report	1 Report	1 Report	Analysis report of a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities.
ComDir1	Percentage expenditure on the preventative maintenance budget of the Community Department.	Community	99%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative maintenance budget votes for the Community Department. Preventative maintenance as defined according to mSCOA and excludes corrective maintenance.
ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	63.7%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

KEY PERFORMANCE AREA: SOCIO-ECONOMIC SUPPORT

Strategic Objective: 4.1 Support the poor & vulnerable through programmes & policy

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	3701	4500	4500	4500	4500	4500	4500	4400	4300	4300	Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period.
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	397	400	100	200	300	400	410	410	420	420	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects. Proxy for National KPI.
ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	25	20	5	10	15	20	20	20	20	20	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
ComHS14	Number of housing opportunities provided per year.	Community	30	0	0	0	0	0	0	200	100	100	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.
ComHS15	Number of Rental Stock transferred	Community	40	40	10	20	30	40	45	50	50	50	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.

Strategic Objective: 4.2 Create an enabling environment to attract investment & support local economy.

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
ComLed19	Quarterly report on investment incentives implemented.	Community	New	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly report on investment incentives implemented.
ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	Community	New	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly report on the Small Business Entrepreneurs Development Programme.
ComLed21	Quarterly report on the progress of the Ceres Business Initiative (CBI) Entreprenuer Programme for SMME's	Community	New	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly report on the progress of the Ceres Business Initiative (CBI) Entreprenuer Programme for SMME's
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Progress reports on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.

8 LIST OF STATUTORY, STRATEGIC AND OPERATIONAL PLANS

Operational Strategies and Sector Plans (See Annexures)

SECTOR PLAN	STATUS	ADOPTED DATE	REVIEWED DATE	NEXT REVIEW DATE
INTEGRATED DEVELOPMENT PLAN 2017-2022	Adopted	2nd Review		
SPATIAL DEVELOPMENT FRAMEWORK	Adopted	May 2020	Under review	2021/22
SOCIAL DEVELOPMENT PROGRAMME	Adopted	May 2012	Under review	2019/20
LOCAL ECONOMIC DEVELOPMENT PLAN	Adopted	May 2012	Under review	2019/20
FINANCIAL PLAN	Adopted	30 May 2016	May 2019	May 2020
DISASTER MANAGEMENT PLAN	Adopted	28 May 2014		2019/20
WATER SERVICES DEVELOPMENT PLAN	Adopted	11/12	10/2013	2019/20
AIR QUALITY MANAGEMENT	Adopted	28 May 2014		2019/20
INTEGRATED TRANSPORT AND ROADS PLAN	Adopted	13 Dec 2016		2019/20
ELECTRICITY / ENERGY MASTER PLAN	Adopted	Oct 2011	Under review	2019/20
HOUSING PIPELINE	Adopted	2015/16	Under review	2019/20
HUMAN SETTLEMENT PLAN	Adopted	Dec 2010	Under review	2019/20
INTEGRATED WASTE MANAGEMENT PLAN	Adopted	July 2013	Under review	2019/20
COMMUNICATIONS STRATEGY	Adopted	13 Dec 2013		2019/20
IDP PROCESS PLAN	Adopted	Sept 2016		Aug 2019
PUBLIC PARTICIPATION PROCESS PLAN	1st Draft	2017/18	-	-
ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM	Adopted	13 Dec 2012	2016	2019/20

9 ADDENDUMS AND ANNEXURES

10 BIBLIOGRAPHY

- Witzenberg Municipality – Institutional Analysis
    1. Du Toit – Mr Pieter Du toit
    2. Department of Health – Ceres Hospital
    3. South African Police Services – Ceres Cluster
    4. Department of Education – Mr Sarel Brown
    5. Directorate Technical Services
        i. Water and Sanitation
        ii. Streets and Storm water
        iii. Town Planning
        iv. Solid waste
    6. Directorate Community Services
        i. Human Settlements
        ii. Environmental Services and Amenities
        iii. Fire and Disaster Management
    7. Directorate Corporate Services
        i. Information and Communications Technology
        ii. Marketing and Communications
        iii. Traffic Services
        iv. Human Resources
    8. Directorate Finance
- Department of Local Government
- Provincial Treasury
- Department of Agriculture
- Department of Environmental Affairs and Development Planning
- Cape Winelands District Municipality
- Cooperative Governance and Traditional Affairs(CoGTA)
- South African Local Government Association (SALGA)
- Municipal Systems Act (No. 32 of 2000)
- Municipal Finance Management Act (No.56 of 2003)
- Municipal Structures Amendment Act (No.33 of 2000)

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Director: Finance

DATUM / DATE: 19 May 2020

VERW. / REF.: 05/01/1/17

BUDGET 2020/2021 AND REVIEWED IDP FOR CONSIDERATION

1. PURPOSE

The purpose of this report is to table the 2020/2021 draft Budget and IDP for consideration to the Municipal Manager, Executive Mayor and Council.

2. LEGAL FRAMEWORK

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

"Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) ***In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.***

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years."

"Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –

(a) Setting out realistically anticipated revenue for the budget year from each revenue source;

(b) Appropriating expenditure for the budget year under the different votes of the municipality;

(c) Setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;

(d) Setting out –

(i) Estimated revenue and expenditure by vote for the current year; and
(ii) Actual revenue and expenditure by vote for the financial year preceding the current year; and

(e) A statement containing any other information required by section 215 (3) of the Constitution or as may be prescribed.

(2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

(3) When an annual budget is tabled in terms of section 16 (2), it must be accompanied by the following documents:

(a) Draft resolutions –
(i) Approving the budget of the municipality;
(ii) Imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
(iii) Approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
(iv) Approving any other matter that may be prescribed;

(b) Measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;

(c) A projection of cash flow for the budget year by revenue source, broken down per month;

(d) Any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;

(e) Any proposed amendments to the budget-related policies of the municipality;

(f) Particulars of the municipality's investments;

(g) Any prescribed budget information on municipal entities under the sole or shared control of the municipality;

(h) Particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;

(i) Particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;

(j) Particulars of any proposed allocations or grants by the municipality to –
(i) Other municipalities;
(ii) Any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
(iii) Any other organs of state;
(iv) Any organisations or bodies referred to in section 67 (1);

(k) The proposed cost to the municipality for the budget year of the salary, allowances and benefits of–
(i) Each political office-bearer of the municipality;
(ii) Councillors of the municipality; and
(iii) The municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;

(l) The proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –
(i) Each member of the entity's board of directors; and
(ii) The chief executive officer and each senior manager of the entity; and

(m) Any other supporting documentation as may be prescribed."

"Funding of expenditures

18. (1) an annual budget may only be funded from –

(a) Realistically anticipated revenues to be collected;

(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and

(c) Borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –

(a) Projected revenue for the current year based on collection levels to date; and

(b) Actual revenue collected in previous financial years."

3. DISCUSSION

The Budget documents and IDP were tabled at the Council Meeting held on 25 March 2020**.**

The Budget documents and IDP were published in a local newspaper and on the municipal website.

4. RECOMMENDATION

(a) That the annual budget of Witzenberg Municipality for the financial year 2020/2021; and indicative for the two projected years 2021/2022 and 2022/2023, as set out in the schedules be approved:

i. Table A2: Budgeted Financial Performance (expenditure by standard classification).

ii. Table A3: Budgeted Financial Performance (expenditure by municipal vote).

iii. Table A4: Budgeted Financial Performance (revenue by source).

iv. Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

(b) Property rates reflected in Annexure 8.1.8(c) and any other municipal tax reflected in Annexure 8.1.8(c) are imposed for the budget year 2020/2021.

(c) Tariffs and charges reflected in Annexure 8.1.8(c) are approved for the budget year 2020/2021.

(d) The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2020/2021.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2020/2021.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2020:

i. Tariff Policy
ii. Property Rates Policy

iii. Credit Control and Debt Collection Policy.
iv. Cash Management and Investment Policy
v. Consumer Payment Incentive Policy.
vi. Municipal Supply Chain Management Policy.
vii. Petty Cash Policy
viii. Indigent Policy
ix. Budget Policy
x. Budget Virement Policy
xi. Asset Management Policy
xii. Funding and Reserves Policy
xiii. Cellular telephone and data card policy
xiv. Borrowing Policy
xv. Long Term Financial Plan Policy
xvi. Transport, Travel and Subsistence Allowance
xvii. Post-Employment Medical Aid Contributions
xviii. Travel Management Policy
xix. Cost containment policy

(g) That the reviewed Integrated Development Plan be approved.

(h) That council take cognisance of the budget circulars issued by National Treasury and Provincial Treasury.

(i) That council take cognisance of the LG MTEC Integrated Planning and Budgeting Assessment and the responses by the municipality.

Yours faithfully

AJ RAUBENHEIMER
ACTING DIRECTOR FINANCE

WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase

DRAFT BUDGET FOR 2020 / 2021 – 2022 / 2023

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1 Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant

Glossary (Continued)

MPRA – Municipal Property Rates Act (No 6 of 2004) as amended.

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, **s**pending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

2 Mayors Report

Speaker
Aldermen
Deputy Executive Mayor
Members of the Mayoral Committee
Councillors
Representatives of Provincial Government
Municipal Manager
Directors and officials

It is my privilege to present to you the budget for the 2020 / 2021 financial year as well as the 2021 / 2022 to 2022 / 2023 medium term revenue and expenditure framework.

It remains a challenge to raise sufficient funds for improved service delivery while tariffs must still be affordable to the community. Debt collection needs to improve to make more funds available for capital expenditure on basic service and the needed maintenance of the municipalities' assets. Unaffordable tariffs charged to consumers results in more bad debts for the municipality.

The municipality cash and cash equivalents is only sufficient to cover expenditure for about 4 months. A balance must be found between improving the available cash and cash equivalents and spending money on service delivery.

Pro poor budget

The following amendments has been introduced in the previous budget cycle and remains in place for the new financial year:

- The Indigent policy's qualifying criteria has been amended to only include the income of the property owner or account holder and his or her spouse.
- A pensioner's rebate in terms of Property Rates.
- A general exemption of on the first R120 000 of residential property as previous.

The capital budget

The capital budget for the next financial year amounts to R 88,7 million of which R 10,1 million is from own revenue. The rest of the capital budget is financed from Grants.

As can be seen from the aforementioned, the municipality is too reliant on Grants to fund its capital expenditure. That said we are thankful for the Grants allocated to Witzenberg Municipality.

The bulk of the proposed capital expenditure is in respect of service delivery and infrastructure.

The operating budget

The operating revenue budget for next year amounts to R669 million of which R 474 million is from own revenue. The rest of the operating budget is financed from Grants.
Provision is made for the installation of water management devices to curb water consumption and the increase in outstanding debt in respect of water.

Tariff implications of the annual budget

Electricity:

The increase in electricity tariffs will be 6.22% for residential consumers and 6.9% for business, industrial and agricultural consumers.

Water:

The water consumption tariff increase will be ± 0% for residential consunmers. An increase of ±6% is proposed for business, industrial and agricultural consumers.

Rates:

The increase of Property Rates Revenue will be 6%. It is recommended that the ratio be for bona fide farms be amended from 0.12:1 to 0.135

Sanitation:

The increase of Sanitation Tariffs will be 6%.

Refuse removal:

The average tariff increase for Refuse Removal Tariffs will be 6%.

Tabling:

Honourable Speaker, I recommend that the annual budget, budget related policies, tariffs and the reviewed Integrated Development Plan be approved.

COUNCILLOR B KLAASEN
EXECUTIVE MAYOR

3 Resolutions

(a) That the annual budget of Witzenberg Municipality for the financial year 2020/2021; and indicative for the two projected years 2021/2022 and 2022/2023, as set out in the schedules contained in Section 4, be approved:

(i) Table A2: Budgeted Financial Performance (expenditure by standard classification).

(ii) Table A3: Budgeted Financial Performance (expenditure by municipal vote).

(iii) Table A4: Budgeted Financial Performance (revenue by source).

(iv) Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

(b) Property rates reflected in Annexure 8.1.8(c) and any other municipal tax reflected in Annexure 8.1.8(c) are imposed for the budget year 2020/2021.

(c) Tariffs and charges reflected in Annexure 8.1.8(c) are approved for the budget year 2020/2021.

(d) The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2020/2021.

(e) The measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2020/2021.

(f) That the new amended budget related policies be approved with implementation as from 1 July 2020:

(i) Tariff Policy
(ii) Property Rates Policy
(iii) Credit Control and Debt Collection Policy.
(iv) Cash Management and Investment Policy
(v) Consumer Payment Incentive Policy.
(vi) Municipal Supply Chain Management Policy.
(vii) Petty Cash Policy
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(ix) Budget Policy
(x) Budget Virement Policy
(xi) Asset Management Policy
(xii) Funding and Reserves Policy
(xiii) Cellular telephone and data card policy
(xiv) Borrowing Policy
(xv) Long Term Financial Plan Policy
(xvi) Transport, Travel and Subsistence Allowance
(xvii) Post-Employment Medical Aid Contributions
(xviii) Infrastructure Investment Policy

(g) That the reviewed Integrated Development Plan be approved

4 Executive Summary

Economic outlook

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

National Government has highlighted the importance that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner and that municipalities need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudency**.**

The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services. The Finance and Fiscal Commission (FFC) recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner. These include recommendations such as amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007) to ensure development charges are uniformly regulated. The Municipal Fiscal Powers and Functions Act already allows municipalities to apply to the Minister of Finance to levy additional taxes such as the tourism levies and fire levies recommended by the FFC.

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application. While the court case between NERSA and Eskom is still pending, municipalities should use the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23.

We know that job creation is a priority and that the climate must be created to attract investments to the Witzenberg municipal area. The rebate policy for new investments must be advertised more aggressively. The municipality itself cannot create internal job opportunities as it will lead to increased tariffs and more outstanding debt in respect of service charges.

Past performance

Witzenberg Municipality has now attained seven consecutive clean audit reports. Whilst the reports are very positive achievements one has to be honest and say that it tells the reader little about whether we have improved service delivery or even delivered on our constitutional mandate. What they do say is that the Council is reasonably honest in its operations to tax and spend on behalf of the local population.

Budget Summary

The Municipality's 2020 / 2021 budget amounts to R 771 million, represented by a Capital Budget of R 89 million and an Operating Budget of R 682 million.

The total 2020/ 2021 budget (operating and capital) will be financed from own income R 474 million, Government Grants R 201 million. Debt Impairment is estimated at R45 million

Revenue / tariff increases

- The increase of Property Rates Revenue will be ± 6%.
- The increase of Water consumption Tariffs will be ± 0% for residential consumers. An increase of ±6% is proposed for business, industrial and agricultural consumers
- The increase of Sanitation Tariffs will be 6%.
- The average tariff increase for Refuse Removal Tariffs will be 6%.
- The tariff increase for Electricity Tariffs will be 6.22% for residential consumers and 6.9% for business, industrial and agricultural consumers

Expenditure category increases

The budgeted increase in expenditure categories are as follows:

Expenditure by Type	**2019 / 2020**	**2020 / 2021**	**Increase**
	R'000	R'000	R'000
Employee related costs	175 133	191 351	9%
Job Creation	7 103	7 472	5%
Post-Employment Provisions	26 811	27 879	4%
Remuneration of councillors	11 459	12 032	5%
Depreciation & asset impairment	45 590	40 688	-11%
Bulk purchases	229 196	232 760	2%
Debt Impairment	43 499	44 737	3%
Repairs & Maintenance	20 261	22 894	13%
Operational Projects	4 058	4 205	4%
General Expenses	49 876	55 878	12%
Vehicle Expenditure	8 816	9 258	5%
Housing Top Structures	29 000	0	-100%
Other Contracted Services	36 894	33 140	-10%

The increase in salary expenditure in based on an expected increase of 6.5% CP as well as the notch increase for qualifying employees. This is in line with the new wage agreement.

The increase in bulk purchases is expected to be 6,9%. The municipality is however expecting a decrease consumption due to Covid-19 pandemic.

The budgeted increase in finance charges is a direct result of the finance cost relating to the rehabilitation of Landfill sites.

The financing of capital expenditure from own funds (CRR) totals R 10,1 million. This amount is earmarked to address specific infrastructural capital investment aligned to IDP focus areas. This level is considered to be affordable over the MTREF 3-year period.

Capital investment funding from Capital Grants represents a significant portion (89%) of the Municipality's Capital Budget in 2020 / 2021 and consist mainly of the Provincial Housing Grant, Public Transport Infrastructure Grant, the Municipal Infrastructure Grant (MIG) and the Regional Bulk Infrastructure Grant (RBIG)

The 2020 / 2021 Budget was compiled in terms of the Municipal Budget and Reporting Regulations and a phased-in process will be followed to include all information regarding the tables and supporting documentation.

Financial position and MTREF strategy

The financial position of Witzenberg Municipality is set out in Table A6: Budgeted Financial Position.

Integrated Development Plan & Priorities

The Strategic priorities as per the IDP I is available in Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue), Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure) and Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure).

Effect of the annual budget

The annual budget for 2020 / 2021 to 2022 / 2023 is disclosed in detail in 'Section 4: Annual budget tables' and in 'Annexure 2: Supporting budget tables'. Each of the summarised sections below is discussed in more detail later in this document.

Financial performance

The revenue by source for medium term revenue and expenditure framework can be summarized as follows:

Revenue by source	**2019 / 2020**	**2020 / 2021**	**Increase**
	R'000	**R'000**	**R'000**
Property Rates	72 282	76 388	6%
Service Charges: Electricity	265 119	266 973	1%
Service Charges: Water	35 901	35 101	-2%
Service Charges: Waste Water	22 080	18 402	-17%
Service Charges: Waste Management	23 853	21 271	-11%
Rental from Fixed Assets	7 567	2 663	-65%
Interest, Dividend and Rent on Land	16 586	17 415	5%
Fines, Penalties and Forfeits	19 482	20 456	5%

Licences or Permits	1 915	2 010	5%
Agency Services	3 670	3 854	5%
Transfers and Subsidies	185 451	195 705	6%
Operational Revenue	9 886	9 167	-7%

The increases in service charges above does not reflect the increases as requested in the tariffs due to the fact that the municipality is expecting a significant increase in indigents (up to 6000 indigents in total) due to the Covid-19 pandemic. This sharp increase in indigents will result in less revenue being earned which is reflected in the increases above

The National, Provincial and District Context

The Municipality's budget must be seen within the context of the policies and financial priorities of National and Provincial Government as well as the district municipality. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in Witzenberg Municipality. The Municipality alone cannot meet these challenges and we require support from the other spheres of Government through the direct and indirect allocation of resources as well as the achievement of their own policies.

The following table shows the allocations to Witzenberg Municipality as set out in the National Division of Revenue Bill.

NATIONAL ALLOCATIONS	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	**R'000**	**R'000**
UNCONDITIONAL GRANTS			
EQUITABLE SHARE	101 915	112 056	122 389
CONDITIONAL GRANTS			
INFRASTRUCTURE			
MIG	22 286	23 906	25 092
INEP		3 000	4 000
RBIG	19 471	20 000	
SPECIFIC PURPOSE ALLOCATIONS			
LG FMG	1 550	1 550	1 550
EPWP	2 360		
NATIONAL GRANTS TOTAL	**147 582**	**160 512**	**153 031**

The following table shows the allocations to Witzenberg Municipality from the Provincial Government of the Western Cape:

PROVINCIAL ALLOCATIONS	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	R'000	R'000
DEPARTMENT OF HUMAN SETTLEMENTS			
IHHSDG	37 954	45 280	31 030
Municipal Accreditation and Capacity Building Grant	238	252	264
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING			
Regional socio-economic project/violence prevention through urban upgrading	1 000	500	
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS			
Maintenance of proclaimed roads	4 130	34 130	2 130
DEPARTMENT OF CULTURAL AFFAIRS AND SPORT			
Library Services	3 067	3 235	3 413
library services: Municipal Replacement Funding	6 697	7 065	7 453
DEPARTMENT OF LOCAL GOVERNMENT			
Thusong Centre		150	
Community Development Worker Operational Support Grant	131	131	131
Fire Service Capacity Building Grant			920
PROVINCIALTREASURY			
Financial Management Capacity Building	401		
Financial Management Support			
GRAND TOTAL	**53 618**	**90 743**	**45 341**

The following table shows the allocations to Witzenberg Municipality from the Cape Winelands District Municipality

DISTRICT ALLOCATION	2020 / 2021	2021 / 2022	2022 / 2023
	R'000	R'000	R'000
Financial Assistance	-	-	-

Budget-related policies

Please refer to paragraph 9 for details of proposed amendments to the budget related policies.

5 Annual budget Tables

(These tables will be distributed at the council meeting)

- AI Budget Summary
- A2 Budgeted Financial Performance – by standard classification
- A3 Budgeted Financial Performance – by municipal vote
- A4 Budgeted Financial Performance
- A5 Budgeted capital Expenditure by vote and Funding
- A6 Budgeted Financial Position
- A7 Budgeted Cash Flows
- A8 Cash backed reserves/accumulated surplus reconciliation
- A9 Asset Management
- A10 Basic service delivery measurement

Annual budget Supporting Tables

SA1: Supporting Detail to Budgeted Financial Performance
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and dept.)
SA3: Supporting detail to Budgeted Financial Position
SA4: Reconciliation of IDP, Strategic Objectives and Budget (Revenue)
SA5: Reconciliation of IDP, Strategic Objectives and Budget (Operating Expenditure)
SA6: Reconciliation of IDP, Strategic Objectives and Budget (Capital Expenditure)
SA7: Measurable Performance Objectives
SA8: Performance Indicators and Benchmarks
SA9: Social, Economic and Demographic Statistics and Assumptions
SA10: Funding Measurement
SA11: Property Rates Summary
SA12a: Property rates by category (current year)
SA12b: Property rates by category (budget year)
SA13: Service Tariffs by category
SA 14: Household Bills
SA15: Investment Particulars by Type
SA16: Investment Particulars by Type
SA17: Borrowing
SA18: Transfers and Grant Receipts
SA19: Expenditure on Transfers and Grant Programme
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds
SA21: Transfers and Grants made by the Municipality
SA22: Summary Councillor and Staff Benefits
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)

SA24: Summary of Personnel Numbers
SA25: Budgeted Monthly Revenue and Expenditure
SA26: Budgeted Monthly Revenue and Expenditure (Municipal Vote)
SA27: Budgeted Monthly Revenue and Expenditure (Standard Classification)
SA28: Budgeted Monthly Capital Expenditure (Municipal Vote)
SA29: Budgeted Monthly Capital Expenditure (Standard Classification)
SA30: Budgeted Monthly Cash Flow
SA31: Entities not required
SA32: List of External Mechanisms
SA33: Contracts having Future Budgetary Implications
SA34a: Capital Expenditure on New Assets by Asset Class
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class
SA34c: Repairs and Maintenance Expenditure by Asset Class
SA34d: Depreciation by Assets Class
SA35: Future Financial Implications of the Capital Budget
SA36: Detail Capital Budget
SA37: Projects Delayed from Previous Financial Years
Budget Circular 98 & 99 – only attached for noting

6 Overview of the Budget Process

6.1 Political oversight of the budget process

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guide the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must coordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the Mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget.

This time schedule provides for political input from formal organizations such as portfolio Committees.

6.2. Schedule of Key Deadlines relating to budget and IDP process [MFMA s 21(1) (b)]

The IDP and Budget time schedule of the 2020 / 2021 budget cycle was adopted by Council during August 2019, 10 months before the start of the budget year in compliance with legislative directives.

The IDP and Budget Process Plan ensure that the role-players within the process are well prepared. All activities outlined within this document have been prepared in close inter-relation with the Framework that governs both the District and all local municipalities.

Public budget and IDP meetings will be held throughout Witzenberg and all members of the public are urged to attend.

6.3. Process used to integrate the review of the IDP and preparation of the Budget

Updating the IDP and Budget is an evolving and re-iterative process over a 10 month period. The initial parallel process commenced with the consultative process of the IDP in 2019 and the update of the MTREF to determine the affordability and sustainability framework at the same time.

6.4. Process for consultation with each group of stakeholders and outcomes

Following tabling of the draft budget in March 2020, local input has been solicited via notices published in the media. The budget documentation will be available on the municipal website: witzenberg.gov.za

Comments on the IDP/Budget will be made by the public via verbal presentations, facsimiles, emails and in the form of correspondence to the municipality and will be considered for incorporation as part of the budget process.

6.5. Stakeholders involved in consultations

The tabled budget will be provided to National Treasury and Provincial Treasury in March/April 2020 for their consideration in line with S23 of the MFMA.

6.6. Process and media used to provide information on the Budget to the community

The Municipality's consultation process on its draft IDP and budget has been published in the relevant media during April/May 2020, where input from various stakeholders have been requested

Community representatives and organizations had to review the priorities given previously and to ascertain whether it has been captured as priorities during the 2020 / 2021 IDP/Budget process.

6.7. Methods employed to make the Budget document available (including websites)

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of Budget Documents (including the Tariffs, Fees and Charges for 2020 / 2021), advertisements will be placed in the media. The information relating to resolutions and budget documentation will be displayed at the notice boards in the municipal offices as well as libraries.

In compliance with S22 of the MFMA, the Budget documentation will be published on the municipality's website.

7 IDP Overview and Amendments

- **VISION**

A Municipality that cares for its community, creating growth and opportunities

- **MISSION**

The Witzenberg Municipality is committed to improve the quality of life of its community by:
- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

- **VALUE SYSTEM**

- Driven by the aspirations of our Community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and officials in the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

- **Alignment with Provincial and National Government**

Witzenberg Municipality's development plan needs to align with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are six critical elements: Accelerated and Shared Growth-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Development Framework (PSDF).

All these feed into and influence the Integrated Development Plan.

- **Witzenberg Municipality Budget Priorities (Key Performance areas)**

The Municipality's 2020/ 2021 to 2022 / 2023 integrated development plan focuses on four strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on. These objectives will be used to further develop key performance indicators against which performance implementation monitoring and reporting will be done. The corporate scorecard outlines these indicators and targets.

The four focus areas are:

- Essential Services
- Governance
- Communal Services
- Socio-Economic Support Services

8 Measurable performance objectives and indicators

(a) KEY FINANCIAL INDICATORS AND RATIOS

Information regarding key financial indicators and ratios are provided on Supporting Table SA8.

(b) MEASURABLE PERFORMANCE OBJECTIVES

Information regarding revenue is provided as follows:

Revenue for each vote - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Revenue for each source - Table A4 Budgeted Financial Performance (revenue and expenditure)

Provision of free basic services:

(i) Cost to the Witzenberg Municipality in rand value for each of the free basic services provided to indigent households:

	2020 /2021	**2021 / 2022**	**2022 / 2023**
	R'000	R'000	R'000
Property rates	5 840	6 249	6 561
Water	6 487	6 552	6 620
Sanitation	15 161	16 071	16 874
Electricity	5 080	5 483	5 988
Refuse	12 040	12 762	13 528
Total	**44 608**	**47 116**	**49 571**

It is expected that indigents will increase significantly due to the Covid-19 pandemic.

More detail is provided in Table A10 Basic service delivery measurement,

(ii) Level of service to be provided

The first R 120 000 of the municipal valuation of property in Town areas are exempt from property rates.

Indigent households will receive 50 kWh of electricity and 6 kilolitre of water per month while their basic charges for water refuse and sewerage will be subsidized.

(iii) Number of households to receive free basic services

There is budgeted for 4 500 households that will receive 50 kWh electricity per month as well as 6 kilolitre water per month.

A further 1700 households in informal areas receive all services excluding electricity free of charge.

9 Overview of Budget Related Policies and Amendments

The following budget related policies are tabled with the budget documentation for comments and inputs:

Budget Policy
Tariff Policy
Property Rates Policy
Credit Control and Debt Collection Policy
Cash Management and Investment Policy
Consumer Payment Incentive Policy
Petty Cash Policy
Indigent Policy
Budget Virement Policy
Asset Management Policy
Funding and Reserves Policy
Borrowing Policy
Cellular the phone and data card policy
Municipal Supply Chain Management Policy
Long Term Financial Plan Policy
Transport- travel- and subsistence allowance Policy
Post-Employment Medical Aid Contribution Policy
Infrastructure Investment Policy

Policies will be available at libraries in the municipal area and the website of the municipality.

The budget related policies were reviewed by management. The amendments recommended are explained below:

BUDGET POLICY

The aim of the policy is to set out the principles which the municipality will follow in preparing each medium term revenue and expenditure framework (budget) and the responsibilities of the mayor and officials.

No amendments are recommended.

TARIFF POLICY

The Municipal System Act requires Council to adopt a Tariff Policy. The general financial management functions covered in section 62 of the MFMA includes the implementation of a tariff policy. Specific legislation applicable to each service has been taken into consideration when determining this policy.

It is recommended that section 6 of the Tariff policy be amended to indicate that the rebate will only be applicable on the additional services account of the applicant to the original account.
It is also recommended that the Renewable tariff be brought into the tariff policy.

PROPERTY RATES POLICY

A Rates Policy in accordance with Section 3 of the Municipal Property Rates Act (No 6 of 2004) as amended (MPRA) was approved by Council and updated on 15 June 2010.

The policy guides the annual setting of property rates.

The Municipality has reviewed the rate ratio as it is applied in terms of Bona Fide Agricultural properties. The current ratio has been reviewed and been adjusted from 0.120:1 to 0.135:1 which is still within the regulated norm of 0.25:1. It envisaged that additional property rates revenue to the estimated amount of R1, 6 m will flow to the municipality in the first year of implementation. A phased-in approached will be followed over the next 3 financial years until the maximum allowable ratio of 0.25:1 is reached.

The recommended phased-in approach to be applied is as follow:
Year 1 (2020/21) Effective 1 July 2020: New Ratio 0.135:1
Year 2 (2021/22) Effective 1 July 2021: New Ratio 0.150:1
Year 3 (2022/23) Effective 1 July 2022: New Ratio 0.200:1

It is recommended that Property Rates policy be amended to indicate that the rebate will only be applicable on the additional services account of the applicant to the original account

It is recommended that the policy be amended to ensure sufficient revenues will be realised to fund municipal services.

CREDIT CONTROL AND DEBT COLLECTION POLICY

This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 2000 and the Credit Control and Debt Collection By-Law.

The municipality will pay no interest on consumer deposits. If found that any person (natural or juristic) is illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by council.

CASH MANAGEMENT AND INVESTMENT POLICY

The underlying cash is managed and invested in accordance with the Municipality's approved Cash Management and Investment Policy, which is aligned with National Treasury's municipal investment regulations dated 01 April 2005.

It is proposed that the Cash Management and Investment Policy be amended in terms of the following:

Item 4.2.3 : That the Deputy CFO be added as a A-Signatory

CONSUMER PAYMENT INCENTIVE POLICY

The purpose of the policy is to encourage residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens.

Amendments recommended:

Verified debt as at 30 June 2017 to be "parked" and written-off in instalments as the conditions are met. Verified debt accrued after 1st July to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

PETTY CASH POLICY

The policy provides for the cash purchases up to a transaction value of R 2 000.00

No amendments are recommended.

INDIGENT POLICY

The aim of the policy is to ensure a sound and sustainable manner to provide affordable basic services to the poor by means of assisting them financially within the legal framework of the powers and functions of the municipality in order to improve the livelihood, in an effort to create a prosperous municipality free of poverty.

It recommended that the policy be amended to incorporate the council decision taken, namely – *"that the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality"*

BUDGET VIREMENT POLICY

National Treasury has advised municipalities to implement a virement policy to ensure that funds can be shifted for of operational requirements to ensure that service delivery is not hampered.

It is proposed that the Budget Virement Policy be amended in terms of the following:

New item – 5.17.
Virements / Transfers from Repairs & Maintenance Projects are only permitted with the approval of the CFO and Municipal Manager

New item – 5.18
Virements / Transfers from Specific Operational Typical Work streams Projects are only permitted with the approval of the CFO and Municipal Manager

Appendix A Classification be repealed and replaced with the updated Municipal Votes as disclosed in the Budget Schedules

Appendix B Classification be repealed and replaced with the mSCOA line items

ASSET MANAGEMENT POLICY

The aim of the policy is to ensure that the assets of the municipality are properly managed and accounted for.

No amendments are recommended.

FUNDING AND RESERVE POLICY

In terms of section 8 of the Municipal Budget and Reporting Regulations each municipality must have a funding and reserves policy.

The policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

No amendments are recommended.

BORROWING POLICY

The policy aims to set out the objectives, statutory requirements as well as guidelines for the borrowing of funds.

No amendments are recommended.

CELLULAR TELEPHONE AND DATA CARD POLICY

The policy aims to curb the expenditure on cellular telephones by setting maximum expenditure levels and providing processes to approve and/or recover expenditure above the levels.

No amendments are recommended.

MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Municipality's Supply Chain Management Policy was approved by Council.

Consider the incorporation of parts of the SIPDM or the new draft FIPDM

LONG TERM FINANCIAL PLAN POLICY

The long term financial plan policy integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan.

No amendments are recommended.

TRAVEL MANAGEMENT POLICY

This policy applies to all Councillors and employees of Witzenberg Municipality who are travelling on official business.

No amendments

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

The purpose of this policy is to determine guidelines for the management of contributions to medical aids, post-employment and to determine whether an employee is entitled to the post-employment medical aid benefit.

It is recommended that the policy be adjusted to be in line with the newly approved retirement policy

INFRASTRUCTURE INVESTMENT POLICY

This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source.

10 Overview of Budget Related By-Laws and Amendments

No amendments to any By-Laws are recommended.

11 Overview of Budget Assumptions

Expenditure

Salaries and Allowances

Provision has been made for a 6.5 % increase in salaries plus an additional 2.5% notch increase for qualifying employees

The Minister of Finance will approve increases of councillors during the 2020 / 2021 financial year, and the increase will be implemented as from 1 July 2020.

General expenditure

It is assumed that costs for services will increase in line with the CPIX. The current oil price is a concern and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2019 / 2020 will be completed during the financial year as there were budgeted for the depreciation of such projects as per general recognized accounting practice (GRAP). Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 100 years depending on the nature of the asset.

Repairs and Maintenance

It is assumed that municipal infrastructure and assets will be maintained as per previous years and that no major breakages will take place during the financial year.

Capital costs

It is assumed that interest rates will be stable during the financial year, but the provision for capital has not been decreased.

Bulk Purchases

It is assumed that electricity tariffs of Eskom will increase by 6.9% as from 1 July 2020, as approved by NERSA.

The NERSA Tariff Guidelines for municipalities was late received and it is envisaged that the bulk cost increase will be adjusted to 6.9% for the final budget for consideration.

Income

Households

It is assumed that the total households in the municipal area (the tax base) will stay stable during the financial year. The new RDP houses to be built will be for the benefit of families residing in informal areas. The total number of households is thus not expected to increase. Care must be taken that the informal structures are removed as soon as the beneficiaries moved to the new houses.

Collection rate for municipal services

It is assumed that the collection rate (percentage of service charges recovered) for the financial year will be the same as the current payment rate.

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends. The Municipality's collection rate is set at an average of 93%. Adequate provision is made for non-recovery.

Grants

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2020 / 2021 financial year.

Indigents

It is assumed that the number of indigents will increase to an estimated 6000 during the financial year due to Covid-19 pandemic

The Coronavirus

The social and financial impact of the coronavirus remains to a certain extent uncertain to the municipality as we did not yet reached the peak of infections in South Africa.
All the income streams could be negatively affected by this disaster and this could force the municipality to adjust revenue estimates downwards during the financial year. Expenditure items could also spike as the demand for the goods and services increases. The roll out of major operational and capital projects can also be negatively impacted, especially where it requires the services of contractors and where projects are labour-intensive. The productivity of the workforce will also be negatively impacted. Thus, service delivery may become very challenging. Council is advised to act prudently and diligently and to only expense on the bare necessities during this

unknown phase. Unforeseen and unavoidable expenditure is a possibility and if it does arise, the administration will assist the mayor in discharging his responsibility in terms of the tabling of an adjustments budget at the earliest convenient time.

Efficiencies and cost containment measures
The municipality is committed through its applications and strengthening of its existing internal controls, policies and through the use of technology to ensure that the resources at its disposal will be used to the best of its ability. Cost containment measures has been implemented and operational expenses such travelling cost, catering services and consultant services are managed within the parameters of the Cost containment measures.

Significant Amendments to the Tabled Budget

1. Adjustment to tabled Collection Rate:

Service	Previous Tabled Collection Rate	Adjusted Collection Rate
Water	82%	69%
Sewerage	85%	77%
Electricity	99%	98%
Refuse	85%	75%
Rates	95%	95%
Combined	**95%**	**93%**

Collection rate was adjusted from 95% to 93% to adjust for the possible impact of the Covid-19 pandemic.

2. Electricity Tariff Adjustment
The electricity tariff was adjusted in line with the final recommendation received from NERSA.

Service	Previous Tabled	Adjusted Tariff
Electricity Income Tariff	11.48%	6.22%
Bulk Purchases from Eskom	13.45%	6.9%

3. Adjustment to Rental of Facilities
Due to the implementation of the Covid-19 regulations and the use of Pine Forest Resort as the designated quarantine facility in the Witzenberg area, Rental from Fixed Assets income from Resorts, Community Halls and Sport Facilities was adjusted downwards as follow:

Service	Previous	Adjusted
Rental from Fixed Assets	R 7 945 022	R 2 662 619
Sales of Goods and Rendering of services	R 4 579 316	R 2 505 159

4. Long service provision
   The non-cash provision was adjusted due to the change in retirement age for female employees from 60 to 65 years.

Item	Previous	Adjusted
Long Service Provision	R 12 401 429	R 27 878 880

5. Contracted Services
   Contracted services was adjusted downwards due to an expected lower utilisation of the security services.

Item	Previous	Adjusted
Security Service	R 17 912 521	R 13 127 568

6. Adjustment to total number of indigents
   The total number of expected indigent households were increased from 4000 to 6000. The municipality is expecting an increase in unemployment due to the covid-19 pandemic. The municipality foresees that this may lead to the provision of a benefit package to the individuals within the income category of R3000-R4000 per month.

12 Overview of Budget Funding

Summary

The operating budget for 2020 / 2021 will be financed as follows:

	2019 /2020	2020/2021	**Increase**
	R'000	**R'000**	**R'000**
Charged for electricity, water, refuse and sewerage	346 953	341 746	-2%
Property Rates	72 282	76 388	6%
Provincial and National Operating Grants	137 732	113 570	-18%
Sundry charges / Other	59 106	55 565	-6%
Total Operating Revenue excl. Capital Transfers	**616 073**	**587 270**	-5%

The capital budget for 2019/ 2020 to 2021 / 2022 will be financed as follows:

	2019 /2020	**2020/2021**	**2021 / 2022**
	R'000	**R'000**	**R'000**
Own Funds (Capital Replacement Reserves)	10 048	13 737	10 173
Grants	78 716	120 459	28 167
Borrowing	0	0	0
Total Capital Budget	**88 764**	**134 196**	**38 340**

Reserves

All the reserves of the municipality are not cash funded. The process to accumulate sufficient funds is a long term process as tariff increases must be kept to a minimum, and service delivery must be continued.

Sustainability of municipality

The way that the budget is funded will ensure that the municipality will be sustainable on the short term. The full effect of huge increases in electricity tariffs may on the long run impact negatively on the sustainability of the municipality. This is a huge concern for the municipality and the municipality has no control over the increases approved by NERSA.

Impact on rates and tariffs

The way that the budget is funded will ensure that, except for electricity, refuse removal and water tariffs, service tariff increases will be ± 6%. Property rates tariffs will increase with ± 6%. The municipality has no control over the increases of electricity tariffs and the proposed ± 13.07% increase in electricity tariffs is subjected to NERSA approval.

Property valuations, rates, tariffs and other charges

The rates tariffs as well as tariffs for electricity, water, refuse, sewage together with the sundry tariffs are listed in Section B – Tariffs. The tariff increases are also indicated.

Collection Rate

Income levels for service charges and rates for the budget year were based on the following revised collection rates due to the impact of the Covid-19 pandemic:

Rates	95.0%
Electricity	98.0%
Water	69.0%
Sanitation	77.0%
Refuse	75.0%

Planned savings and efficiencies

The following areas were identified for possible savings after the efficiency of the usage of the assets/services has been evaluated:

Overtime
Standby
Operational Cost
Contracted Services
Materials & Supplies

Contributions and donations received

There was not budgeted for any contributions and donations to be received.

Planned proceeds of sale of assets

The municipality envisage no sale of fixed property during the 2020 / 2021 financial year.

Planned use of previous year's cash backed accumulated surplus

The previous year's accumulated surplus is not cash backed.

Particulars of existing and any new borrowing proposed to be raised

There is no new borrowing proposed.

13 Expenditure on allocations and grant programmes

Particulars of budgeted allocations and grants

Please refer to Supporting Table SA19: Expenditure on transfers and grant programme.

14 Allocations or grants made by the Municipality

Please refer to Supporting Table SA21 Transfers and grants made by the municipality.

15 Councillor allowances and employee benefits

Costs to Municipality:

Councillors

Speaker (1)	859 592
Executive Mayor (1)	1 062 003
Deputy Executive Mayor (1)	859 594
Executive Committee (4)	3 235 976
Other Councillors (15)	6 014 532
TOTAL	**12 031 697**

Senior Managers (Including performance bonus provision)

Municipal Manager	1 823 908
Director: Corporate Services	1 482 116
Director: Community Services	1 424 283
Director: Technical Services	1 473 831
Chief Financial Officer	1 412 949
TOTAL Senior Management	**7 617 087**
All other staff	**211 612 866**

Number of Councillors 23

Number of Senior Managers employed 5

Details of employee numbers can be obtained on Supporting Table SA24: Summary of personnel numbers.

16 Monthly targets for revenue, expenditure and cash flow

The monthly targets for revenue and expenditure are provided in Supporting Table SA25 Budgeted monthly revenue and expenditure.

The monthly targets for cash flows are provided in Supporting Table SA30 Budgeted monthly cash flow.

17 Capital spending detail

Information/detail regarding capital projects by vote is provided in Supporting Table SA36: Detailed capital budget.

18 Legislation compliance status

Witzenberg Municipality complies in general with legislation applicable to municipalities.

19 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature: _____

Date 19 May 2020

WC022 Witzenberg - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	59 649	63 712	69 879	72 282	72 282	72 282	66 080	76 388	81 736	85 822
Service charges	286 564	306 170	305 199	346 953	347 173	347 173	283 469	341 732	369 227	402 696
Investment revenue	8 512	8 122	8 551	8 695	8 695	8 695	5 300	9 129	9 586	9 089
Transfers recognised - operational	101 429	94 263	105 201	138 467	139 123	139 123	108 837	116 989	125 089	166 900
Other own revenue	60 381	57 662	46 200	50 229	50 191	50 191	26 823	46 486	56 503	56 520
Total Revenue (excluding capital transfers and contributions)	516 534	529 928	535 031	616 625	617 464	617 464	490 508	590 725	642 140	721 028
Employee costs	133 332	155 415	166 502	192 524	208 383	208 383	165 558	226 182	242 401	262 678
Remuneration of councillors	8 780	9 170	9 458	11 459	11 459	11 459	7 940	12 032	12 633	13 265
Depreciation & asset impairment	26 280	28 699	30 415	45 590	45 590	45 590	14 018	40 688	42 918	42 918
Finance charges	17 573	8 675	15 847	8 840	8 724	8 724	269	9 181	9 635	10 108
Materials and bulk purchases	179 203	194 879	204 340	246 787	247 893	247 893	172 506	252 289	273 296	300 554
Transfers and grants	941	13 920	10 019	30 962	31 179	31 179	20 660	2 179	1 859	32 976
Other expenditure	146 821	105 459	96 099	118 518	136 135	136 135	88 981	139 944	146 713	153 439
Total Expenditure	512 929	516 217	532 678	654 680	689 363	689 363	469 932	682 493	729 455	815 938
Surplus/(Deficit)	3 605	13 711	2 352	(38 055)	(71 900)	(71 900)	20 577	(91 768)	(87 315)	(94 910)
Transfers and subsidies - capital (monetary allocations) (	38 768	34 481	54 177	44 178	45 826	45 826	1	78 716	120 459	28 167
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	54 943	–	–	–	501	501	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Capital expenditure & funds sources										
Capital expenditure	115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340
Transfers recognised - capital	92 684	38 572	54 177	45 678	46 327	46 327	647	78 716	120 459	28 167
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	3 523	–	–	3 043	3 043	–	–	–	–
Internally generated funds	22 558	21 760	32 479	25 935	32 019	32 019	(9)	10 048	13 737	10 173
Total sources of capital funds	115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340
Financial position										
Total current assets	150 794	181 020	183 674	183 059	135 278	135 278	135 278	108 824	86 365	61 796
Total non current assets	874 960	905 212	965 334	991 357	1 001 134	1 001 134	1 001 134	1 049 210	1 140 488	1 135 909
Total current liabilities	73 511	80 895	91 452	101 744	116 744	116 744	116 744	130 550	142 316	158 910
Total non current liabilities	153 138	157 917	155 516	164 509	164 509	164 509	164 509	185 378	209 287	230 289
Community wealth/Equity	799 105	847 421	902 040	908 163	855 158	855 158	855 158	842 106	875 249	808 505
Cash flows										
Net cash from (used) operating	80 132	84 479	81 900	70 692	53 405	53 405	53 405	62 440	126 055	28 908
Net cash from (used) investing	(92 647)	(62 257)	(83 389)	(71 613)	(81 390)	(81 390)	(81 390)	(88 764)	(134 196)	(38 340)
Net cash from (used) financing	(8 150)	(1 094)	(1 745)	–	–	–	–	(1 500)	(1 500)	(1 500)
Cash/cash equivalents at the year end	76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 463	28 822	17 890
Cash backing/surplus reconciliation										
Cash and investments available	76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 462	28 821	17 889
Application of cash and investments	(14 683)	(20 299)	10 768	(10 992)	8 268	8 268	23 341	(4 484)	(11 896)	(13 952)
Balance - surplus (shortfall)	91 016	117 805	83 504	104 343	58 019	58 019	42 945	42 946	40 717	31 842
Asset management										
Asset register summary (WDV)	875 023	903 065	965 334	978 519	988 295	988 295		1 048 835	91 278	(4 579)
Depreciation	26 280	28 699	30 415	45 590	45 590	45 590		40 688	42 918	42 918
Renewal of Existing Assets	4 924	10 816	15 824	11 900	12 753	12 753		4 900	–	5 000
Repairs and Maintenance	23 001	18 886	18 336	16 442	16 324	16 324		18 282	19 454	20 350
Free services										
Cost of Free Basic Services provided	13 531	11 659	20 292	7 465	7 465	7 465	38 547	38 547	40 645	42 776
Revenue cost of free services provided	8 379	8 976	17 548	27 375	27 375	27 375	44 994	44 994	47 918	50 672
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Governance and administration		93 145	85 845	88 978	95 002	95 064	95 064	101 030	107 085	108 722
Executive and council		325	–	–	–	0	0	–	–	–
Finance and administration		92 820	85 845	88 978	95 002	95 064	95 064	101 030	107 085	108 722
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		144 225	127 800	132 132	180 245	180 072	180 072	142 111	158 967	207 957
Community and social services		71 487	80 916	96 371	105 912	106 608	106 608	114 880	124 046	139 475
Sport and recreation		22 976	7 477	6 826	20 394	19 525	19 525	1 805	8 218	8 629
Public safety		25 151	26 641	20 079	24 448	24 448	24 448	24 912	26 158	28 251
Housing		24 611	12 766	8 855	29 492	29 492	29 492	514	545	31 603
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		58 004	5 731	19 990	10 543	13 325	13 325	20 173	48 799	13 382
Planning and development		1 309	1 540	1 791	3 669	5 134	5 134	2 512	2 627	2 745
Road transport		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626
Environmental protection		367	2	88	538	698	698	13	14	10
Trading services		314 796	344 933	346 951	374 903	375 221	375 221	406 013	447 627	419 007
Energy sources		221 653	209 994	226 478	267 273	267 493	267 493	265 685	292 773	321 385
Water management		40 582	67 545	49 654	56 021	54 303	54 303	64 856	80 584	50 959
Waste water management		30 417	41 431	45 431	26 404	26 404	26 404	43 424	43 164	21 550
Waste management		22 144	25 962	25 388	25 206	27 020	27 020	32 047	31 105	25 113
Other	4	74	100	–	109	109	109	115	120	126
Total Revenue - Functional	2	610 245	564 409	588 051	660 803	663 791	663 791	669 441	762 599	749 194
Expenditure - Functional										
Governance and administration		90 544	88 216	76 011	120 995	148 869	148 869	150 869	159 136	169 632
Executive and council		23 254	22 887	22 343	28 588	27 845	27 845	30 612	32 525	34 529
Finance and administration		65 364	63 186	51 368	90 177	118 821	118 821	117 451	123 618	131 904
Internal audit		1 926	2 144	2 300	2 230	2 203	2 203	2 805	2 993	3 199
Community and public safety		104 049	102 346	97 466	130 780	128 984	128 984	107 225	112 367	150 506
Community and social services		21 657	21 733	23 633	26 589	26 868	26 868	28 760	28 492	30 073
Sport and recreation		20 521	23 574	25 297	28 548	27 751	27 751	30 457	32 703	34 934
Public safety		34 339	40 571	35 583	40 517	40 353	40 353	42 200	44 954	47 809
Housing		27 532	16 468	12 954	35 126	34 012	34 012	5 807	6 218	37 690
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		27 165	31 529	33 862	38 789	39 724	39 724	38 426	39 446	41 801
Planning and development		8 391	8 797	9 030	11 868	11 497	11 497	12 992	12 392	13 362
Road transport		17 098	21 410	24 181	24 531	25 688	25 688	23 425	24 883	26 096
Environmental protection		1 675	1 321	651	2 390	2 539	2 539	2 009	2 171	2 343
Trading services		291 101	293 298	323 358	363 203	370 874	370 874	385 015	417 504	452 945
Energy sources		201 090	201 572	208 229	260 127	259 397	259 397	268 463	293 366	322 093
Water management		20 399	28 025	37 704	28 971	34 554	34 554	35 733	37 962	39 776
Waste water management		29 814	28 364	33 065	31 759	33 603	33 603	34 766	37 044	38 992
Waste management		39 799	35 338	44 361	42 346	43 320	43 320	46 053	49 131	52 084
Other	4	70	828	824	914	914	914	959	1 003	1 053
Total Expenditure - Functional	3	512 929	516 217	531 521	654 680	689 363	689 363	682 493	729 455	815 938
Surplus/(Deficit) for the year		97 316	48 192	56 529	6 123	(25 572)	(25 572)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Municipal governance and administration		93 145	85 845	88 978	95 002	95 064	95 064	101 030	107 085	108 722
Executive and council		325	–	–	–	0	0	–	–	–
Mayor and Council		325	–	–	–	0	0	–	–	–
Municipal Manager, Town Secretary and Chief Executive		–	–	–	–	–	–	–	–	–
Finance and administration		92 820	85 845	88 978	95 002	95 064	95 064	101 030	107 085	108 722
Administrative and Corporate Support		–	0	1	9	9	9	9	9	10
Asset Management		–	–	–	–	–	–	–	–	–
Finance		77 700	84 951	88 406	94 446	94 409	94 409	100 446	106 472	108 078
Fleet Management		–	–	–	–	–	–	–	–	–
Human Resources		14 159	212	499	526	526	526	552	580	609
Information Technology		–	–	–	–	–	–	–	–	–
Legal Services		–	–	–	–	–	–	–	–	–
Marketing, Customer Relations, Publicity and Media Co-ordination		–	–	20	4	104	104	4	5	5
Property Services		962	–	–	–	–	–	–	–	–
Risk Management		–	–	–	–	–	–	–	–	–
Security Services		–	–	–	–	–	–	–	–	–
Supply Chain Management		–	682	52	17	17	17	18	19	20
Valuation Service		–	–	–	–	–	–	–	–	–
Internal audit		–	–	–	–	–	–	–	–	–
Governance Function		–	–	–	–	–	–	–	–	–
Community and public safety		144 225	127 800	132 132	180 245	180 072	180 072	142 111	158 967	207 957
Community and social services		71 487	80 916	96 371	105 912	106 608	106 608	114 880	124 046	139 475
Aged Care		61 566	72 016	86 628	95 119	95 415	95 415	104 406	112 187	122 520
Agricultural		–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		246	246	224	222	222	222	233	383	5 076
Child Care Facilities		–	–	–	–	–	–	–	–	–
Community Halls and Facilities		305	525	495	863	863	863	405	1 102	939
Consumer Protection		–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–
Disaster Management		–	–	–	–	–	–	–	–	–
Education		–	–	–	–	–	–	–	–	–
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–
Libraries and Archives		9 370	8 130	9 024	9 707	10 107	10 107	9 836	10 375	10 940
Literacy Programmes		–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–
Sport and recreation		22 976	7 477	6 826	20 394	19 525	19 525	1 805	8 218	8 629
Beaches and Jetties		–	–	–	–	–	–	–	–	–
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		133	–	–	–	–	–	–	–	–
Recreational Facilities		7 218	7 347	6 456	7 299	7 299	7 299	773	8 048	8 450
Sports Grounds and Stadiums		15 626	130	371	13 095	12 225	12 225	1 032	170	179

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Public safety		25 151	26 641	20 079	24 448	24 448	24 448	24 912	26 158	28 251
Civil Defence		–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		–	3	3	728	728	728	6	6	807
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		25 151	26 637	20 076	23 720	23 720	23 720	24 906	26 152	27 444
Pounds		–	–	–	–	–	–	–	–	–
Housing		24 611	12 766	8 855	29 492	29 492	29 492	514	545	31 603
Housing		24 611	12 766	8 855	29 492	29 492	29 492	514	545	31 603
Informal Settlements		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–
Economic and environmental services		58 004	5 731	19 990	10 543	13 325	13 325	20 173	48 799	13 382
Planning and development		1 309	1 540	1 791	3 669	5 134	5 134	2 512	2 627	2 745
Billboards		–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		–	–	–	–	–	–	–	–	–
Central City Improvement District		–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–
Economic Development/Planning		–	295	388	250	1 715	1 715	–	–	–
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		1 072	1 233	1 404	2 793	2 793	2 793	1 882	1 977	2 075
Project Management Unit		238	11	–	626	626	626	630	650	670
Provincial Planning		–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–
Road transport		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626
Public Transport		–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		–	–	–	–	–	–	–	–	–
Roads		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626
Taxi Ranks		–	–	–	–	–	–	–	–	–
Environmental protection		367	2	88	538	698	698	13	14	10
Biodiversity and Landscape		367	2	88	538	698	698	13	14	10
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–
Nature Conservation		–	–	–	–	–	–	–	–	–
Pollution Control		–	0	0	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Trading services		314 796	344 933	346 951	374 903	375 221	375 221	406 013	447 627	419 007
Energy sources		221 653	209 994	226 478	267 273	267 493	267 493	265 685	292 773	321 385
Electricity		220 726	209 994	225 770	266 452	266 672	266 672	265 685	291 208	321 385
Street Lighting and Signal Systems		927	–	708	821	821	821	–	1 565	–
Nonelectric Energy		–	–	–	–	–	–	–	–	–
Water management		40 582	67 545	49 654	56 021	54 303	54 303	64 856	80 584	50 959
Water Treatment		–	–	–	–	–	–	–	–	–
Water Distribution		40 582	67 545	49 654	56 021	54 303	54 303	64 856	69 305	50 959
Water Storage		–	–	–	–	–	–	–	11 279	–
Waste water management		30 417	41 431	45 431	26 404	26 404	26 404	43 424	43 164	21 550
Public Toilets		20	–	–	–	–	–	–	–	–
Sewerage		28 580	39 642	33 343	23 012	23 012	23 012	29 605	31 844	21 550
Storm Water Management		1 817	1 789	12 088	3 391	3 391	3 391	13 819	11 320	–
Waste Water Treatment		–	–	–	–	–	–	–	–	–
Waste management		22 144	25 962	25 388	25 206	27 020	27 020	32 047	31 105	25 113
Recycling		–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		651	–	–	–	–	–	–	–	–
Solid Waste Removal		21 493	25 962	25 388	25 206	27 020	27 020	32 047	31 105	25 113
Street Cleaning		–	–	–	–	–	–	–	–	–
Other		74	100	–	109	109	109	115	120	126
Abattoirs		–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–
Licensing and Regulation		74	100	–	109	109	109	115	120	126
Markets		–	–	–	–	–	–	–	–	–
Tourism		–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	610 245	564 409	588 051	660 803	663 791	663 791	669 441	762 599	749 194

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure - Functional										
Municipal governance and administration		90 544	88 216	76 011	120 995	148 869	148 869	150 869	159 136	169 632
Executive and council		23 254	22 887	22 343	28 588	27 845	27 845	30 612	32 525	34 529
Mayor and Council		13 984	13 781	14 838	18 767	17 983	17 983	19 731	20 774	21 836
Municipal Manager, Town Secretary and Chief Executive		9 270	9 106	7 505	9 822	9 861	9 861	10 881	11 750	12 693
Finance and administration		65 364	63 186	51 368	90 177	118 821	118 821	117 451	123 618	131 904
Administrative and Corporate Support		5 595	8 010	10 401	8 615	16 522	16 522	12 535	13 533	14 519
Asset Management			59	100	4 392	4 392	4 392	4 772	5 184	5 632
Finance		25 571	19 800	26 308	33 713	38 173	38 173	38 188	38 974	41 331
Fleet Management		1 272	1 756	2 598	2 796	2 596	2 596	2 845	3 073	3 317
Human Resources		19 981	17 485	(4 572)	19 972	34 863	34 863	37 508	39 761	42 483
Information Technology		1 525	2 056	2 974	3 719	3 719	3 719	4 002	4 208	4 380
Legal Services		1 548	1 780	2 188	1 780	3 287	3 287	3 490	3 680	3 882
Marketing, Customer Relations, Publicity and Media Co-ordination		2 831	3 055	3 064	3 630	3 748	3 748	3 968	4 285	4 625
Property Services		2 430	3 554	1 813	3 489	3 489	3 489	1 239	1 316	1 371
Risk Management		–	3	16	421	421	421	457	497	540
Security Services		–	–	–	–	–	–	–	–	–
Supply Chain Management		4 612	4 869	5 944	5 970	6 440	6 440	6 963	7 504	8 091
Valuation Service		–	758	534	1 680	1 171	1 171	1 483	1 603	1 733
Internal audit		1 926	2 144	2 300	2 230	2 203	2 203	2 805	2 993	3 199
Governance Function		1 926	2 144	2 300	2 230	2 203	2 203	2 805	2 993	3 199
Community and public safety		104 049	102 346	97 466	130 780	128 984	128 984	107 225	112 367	150 506
Community and social services		21 657	21 733	23 633	26 589	26 868	26 868	28 760	28 492	30 073
Aged Care		4 929	4 541	4 533	4 296	4 552	4 552	4 771	2 527	2 661
Agricultural		–	–	–	–	–	–	–	–	–
Animal Care and Diseases		–	–	–	–	–	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		2 417	2 581	2 903	3 317	3 293	3 293	3 585	3 874	4 185
Child Care Facilities		–	26	2	819	823	823	896	973	1 057
Community Halls and Facilities		6 050	5 441	5 568	6 080	6 087	6 087	6 671	7 242	7 612
Consumer Protection		–	–	–	–	–	–	–	–	–
Cultural Matters		–	–	–	–	–	–	–	–	–
Disaster Management		20	57	55	47	83	83	77	80	84
Education		–	8	4	705	705	705	766	832	904
Indigenous and Customary Law		–	–	–	–	–	–	–	–	–
Industrial Promotion		–	–	–	–	–	–	–	–	–
Language Policy		–	–	–	–	–	–	–	–	–
Libraries and Archives		8 242	9 079	10 568	11 324	11 324	11 324	11 994	12 964	13 571
Literacy Programmes		–	–	–	–	–	–	–	–	–
Media Services		–	–	–	–	–	–	–	–	–
Museums and Art Galleries		–	–	–	–	–	–	–	–	–
Population Development		–	–	–	–	–	–	–	–	–
Provincial Cultural Matters		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Zoo's		–	–	–	–	–	–	–	–	–
Sport and recreation		20 521	23 574	25 297	28 548	27 751	27 751	30 457	32 703	34 934
Beaches and Jetties		–	–	–	–	–	–	–	–	–
Casinos, Racing, Gambling, Wagering		–	–	–	–	–	–	–	–	–
Community Parks (including Nurseries)		4 712	5 591	6 497	6 763	6 782	6 782	7 262	7 793	8 301
Recreational Facilities		12 088	13 592	14 318	16 797	15 964	15 964	17 843	19 143	20 462
Sports Grounds and Stadiums		3 720	4 391	4 482	4 988	5 005	5 005	5 352	5 767	6 171

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Public safety		34 339	40 571	35 583	40 517	40 353	40 353	42 200	44 954	47 809
Civil Defence		–	–	–	–	–	–	–	–	–
Cleansing		–	–	–	–	–	–	–	–	–
Control of Public Nuisances		–	–	–	–	–	–	–	–	–
Fencing and Fences		–	–	–	–	–	–	–	–	–
Fire Fighting and Protection		6 881	9 196	10 010	9 416	9 425	9 425	9 867	10 555	11 260
Licensing and Control of Animals		–	–	–	–	–	–	–	–	–
Police Forces, Traffic and Street Parking Control		27 458	31 375	25 573	31 101	30 929	30 929	32 333	34 399	36 549
Pounds		–	–	–	–	–	–	–	–	–
Housing		27 532	16 468	12 954	35 126	34 012	34 012	5 807	6 218	37 690
Housing		27 532	16 143	12 749	33 431	32 297	32 297	3 948	4 202	35 505
Informal Settlements		–	325	205	1 695	1 715	1 715	1 859	2 016	2 185
Health		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Health Services		–	–	–	–	–	–	–	–	–
Laboratory Services		–	–	–	–	–	–	–	–	–
Food Control		–	–	–	–	–	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations		–	–	–	–	–	–	–	–	–
Vector Control		–	–	–	–	–	–	–	–	–
Chemical Safety		–	–	–	–	–	–	–	–	–
Economic and environmental services		27 165	31 529	33 862	38 789	39 724	39 724	38 426	39 446	41 801
Planning and development		8 391	8 797	9 030	11 868	11 497	11 497	12 992	12 392	13 362
Billboards		–	–	–	–	–	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)		3 527	1 761	1 825	2 182	2 097	2 097	2 290	2 456	2 636
Central City Improvement District		–	–	–	–	–	–	–	–	–
Development Facilitation		–	–	–	–	–	–	–	–	–
Economic Development/Planning		–	1 921	1 570	2 227	2 172	2 172	2 215	2 380	2 554
Regional Planning and Development		–	–	–	–	–	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		3 183	3 637	4 077	4 920	4 920	4 920	5 740	4 585	4 959
Project Management Unit		1 681	1 479	1 559	2 538	2 307	2 307	2 746	2 971	3 213
Provincial Planning		–	–	–	–	–	–	–	–	–
Support to Local Municipalities		–	–	–	–	–	–	–	–	–
Road transport		17 098	21 410	24 181	24 531	25 688	25 688	23 425	24 883	26 096
Public Transport		–	–	–	–	–	–	–	–	–
Road and Traffic Regulation		–	–	–	–	–	–	–	–	–
Roads		17 098	21 410	24 181	24 531	25 688	25 688	23 425	24 883	26 096
Taxi Ranks		–	–	–	–	–	–	–	–	–
Environmental protection		1 675	1 321	651	2 390	2 539	2 539	2 009	2 171	2 343
Biodiversity and Landscape		1 675	388	(24)	2 390	2 539	2 539	2 009	2 171	2 343
Coastal Protection		–	–	–	–	–	–	–	–	–
Indigenous Forests		–	–	–	–	–	–	–	–	–
Nature Conservation		–	–	–	–	–	–	–	–	–
Pollution Control		–	934	675	–	–	–	–	–	–
Soil Conservation		–	–	–	–	–	–	–	–	–

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Trading services		291 101	293 298	323 358	363 203	370 874	370 874	385 015	417 504	452 945
Energy sources		201 090	201 572	208 229	260 127	259 397	259 397	268 463	293 366	322 093
Electricity		199 151	199 399	205 241	257 067	256 572	256 572	265 128	289 839	318 378
Street Lighting and Signal Systems		1 938	2 173	2 988	3 060	2 825	2 825	3 335	3 527	3 716
Nonelectric Energy		–	–	–	–	–	–	–	–	–
Water management		20 399	28 025	37 704	28 971	34 554	34 554	35 733	37 962	39 776
Water Treatment		–	34	21	1 557	1 557	1 557	1 692	1 838	1 997
Water Distribution		17 879	25 401	35 159	24 063	29 346	29 346	29 481	31 328	32 843
Water Storage		2 520	2 590	2 524	3 351	3 651	3 651	4 560	4 796	4 936
Waste water management		29 814	28 364	33 065	31 759	33 603	33 603	34 766	37 044	38 992
Public Toilets		1 462	1 363	1 432	1 710	1 710	1 710	1 875	2 029	2 197
Sewerage		23 727	20 919	25 120	21 855	23 690	23 690	23 500	24 968	26 126
Storm Water Management		4 625	6 049	6 508	5 720	5 720	5 720	6 691	7 115	7 483
Waste Water Treatment		–	33	5	2 475	2 483	2 483	2 699	2 932	3 185
Waste management		39 799	35 338	44 361	42 346	43 320	43 320	46 053	49 131	52 084
Recycling		–	–	–	–	–	–	–	–	–
Solid Waste Disposal (Landfill Sites)		17 336	8 543	13 624	16 543	16 235	16 235	16 613	17 536	18 369
Solid Waste Removal		22 462	25 366	28 966	24 478	25 759	25 759	28 001	30 031	32 016
Street Cleaning		–	1 429	1 771	1 325	1 325	1 325	1 440	1 564	1 700
Other		70	828	824	914	914	914	959	1 003	1 053
Abattoirs		–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–
Licensing and Regulation		70	60	18	60	60	60	62	65	69
Markets		–	–	–	–	–	–	–	–	–
Tourism		–	768	806	854	854	854	897	938	985
Total Expenditure - Functional	3	512 929	516 217	531 521	654 680	689 363	689 363	682 493	729 455	815 938
Surplus/(Deficit) for the year		97 316	48 192	56 529	6 123	(25 572)	(25 572)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - Financial Services		78 661	83 283	86 082	91 209	91 172	91 172	97 078	102 909	104 299
Vote 2 - Community Services		41 324	28 731	24 755	47 998	48 398	48 398	11 944	19 965	57 508
Vote 3 - Community Services		83 152	99 073	105 473	116 534	116 990	116 990	126 015	135 218	146 622
Vote 4 - Community Services		20 190	551	2 695	17 201	17 796	17 796	4 905	4 571	4 643
Vote 5 - Corporate Services		14 484	212	520	539	639	639	566	594	624
Vote 6 - Technical Services		309 470	258 494	292 988	304 663	306 039	306 039	330 552	386 112	357 822
Vote 7 - Technical Services		62 726	93 511	75 001	81 166	81 263	81 263	96 840	111 623	76 002
Vote 8 - Muncipal Manager		238	554	537	1 495	1 495	1 495	1 542	1 607	1 675
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	610 245	564 409	588 051	660 803	663 791	663 791	669 441	762 599	749 194
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Financial Services		30 564	27 219	34 049	47 140	51 556	51 556	52 907	54 892	58 552
Vote 2 - Community Services		53 826	47 728	46 668	40 684	39 524	39 524	42 428	45 601	48 530
Vote 3 - Community Services		42 579	45 455	39 622	49 582	49 601	49 601	51 839	52 793	56 181
Vote 4 - Community Services		12 737	14 040	13 678	47 226	46 662	46 662	19 452	20 985	53 362
Vote 5 - Corporate Services		49 390	50 304	31 035	60 296	82 449	82 449	81 238	86 290	91 802
Vote 6 - Technical Services		252 457	256 732	272 144	323 828	325 900	325 900	334 930	362 615	395 085
Vote 7 - Technical Services		61 797	64 914	83 736	73 373	79 961	79 961	84 015	89 511	94 488
Vote 8 - Muncipal Manager		9 580	9 824	10 589	12 551	13 710	13 710	15 685	16 769	17 939
Total Expenditure by Vote	2	512 929	516 217	531 521	654 680	689 363	689 363	682 493	729 455	815 938
Surplus/(Deficit) for the year	2	97 316	48 192	56 530	6 123	(25 572)	(25 572)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - Financial Services		78 661	83 283	86 082	91 209	91 172	91 172	97 078	102 909	104 299
1.1 - Assessment Rates		61 101	60 998	64 749	76 963	76 963	76 963	81 350	87 042	91 394
1.2 - Treasury: Administration		17 501	22 571	22 140	18 500	18 462	18 462	20 240	20 701	17 996
1.3 - Treasury: Debtors		–	(1 058)	(910)	(4 493)	(4 493)	(4 493)	(4 764)	(5 098)	(5 368)
1.4 - Treasury: Credit controle		59	90	51	223	223	223	234	245	258
1.5 - Supply Chain Management		–	682	52	17	17	17	18	19	20
1.6 - Director: Finance		–	–	–	–	–	–	–	–	–
Vote 2 - Community Services		41 324	28 731	24 755	47 998	48 398	48 398	11 944	19 965	57 508
2.1 - Cemetries		246	246	224	222	222	222	233	383	5 076
2.2 - Controle Centre		–	–	–	–	–	–	–	–	–
2.3 - Housing: Administration		24 611	13 006	9 049	30 043	30 043	30 043	1 098	1 155	32 237
2.4 - Library Services		9 370	8 130	9 024	9 707	10 107	10 107	9 836	10 375	10 940
2.5 - Fire Protection Sevices		–	3	3	728	728	728	6	6	807
2.6 - Pine Forest : Administration		7 098	7 346	6 456	7 298	7 298	7 298	771	8 046	8 448
2.7 - Pine Forest : Security Service		–	–	–	–	–	–	–	–	–
2.8 - Pine Forest:Semi Permanent Uni		–	–	–	–	–	–	–	–	–
2.9 - Pine Forest : Cleaning Service		–	–	–	–	–	–	–	–	–
2.10 - Pine Forest : Swimming Pool		–	–	–	–	–	–	–	–	–
Vote 3 - Community Services		83 152	99 073	105 473	116 534	116 990	116 990	126 015	135 218	146 622
3.1 - Community Halls And Facilities		305	321	382	605	605	605	310	667	700
3.2 - Klipriver Park: Administration		(2)	–	–	–	–	–	–	–	–
3.3 - Klipriverpark:Cleaning Service		–	–	–	–	–	–	–	–	–
3.4 - Klipriver Park: Swimming Pool		–	–	–	–	–	–	–	–	–
3.5 - Licensing & Regulation		367	100	100	109	109	109	115	120	126
3.6 - Enviromental Protection		74	2	88	538	698	698	13	14	10
3.7 - Parks		133	(2)	41	113	113	113	119	125	70
3.8 - Traffic		20 709	26 637	18 235	20 050	20 050	20 050	21 053	22 105	23 196
3.9 - Disaster Management		–	–	–	–	–	–	–	–	–
3.10 - Social & Welfare Services		61 566	72 016	86 628	95 119	95 415	95 415	104 406	112 187	122 520
Vote 4 - Community Services		20 190	551	2 695	17 201	17 796	17 796	4 905	4 571	4 643
4.1 - Housing Construction		–	–	–	–	–	–	–	–	–
4.2 - Director: Community Services		–	–	–	–	–	–	–	–	–
4.3 - Recreational Land		15 626	130	371	13 095	12 225	12 225	1 032	170	179
4.4 - Swimming Pools		122	126	95	186	186	186	19	205	215
4.5 - Vehicle Licensing & Testing		4 442	–	1 842	3 670	3 670	3 670	3 854	4 046	4 249
4.6 - Property Maintenance		–	–	–	–	–	–	–	–	–
4.7 - L E D		–	295	388	250	1 715	1 715	–	–	–
4.8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–
4.9 - Thusong Centre		–	–	–	–	–	–	–	150	–
		–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 5 - Corporate Services		14 484	212	520	539	639	639	566	594	624
5.1 - Property Administration		–	–	–	–	–	–	–	–	–
5.2 - Information Tecnology		–	–	–	–	–	–	–	–	–
5.3 - Human Resources		14 159	212	499	526	526	526	552	580	609
5.4 - Council Cost		325	–	–	–	0	0	–	–	–
5.5 - Town Secretary		–	–	–	–	–	–	–	–	–
5.6 - Tourism		–	–	–	–	–	–	–	–	–
5.7 - Director Corporate Services		–	–	–	–	–	–	–	–	–
5.8 - Marketing & Communications		–	–	20	4	104	104	4	5	5
5.9 - Administration		0	–	1	9	9	9	9	9	10
		–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		309 470	258 494	292 988	304 663	306 039	306 039	330 552	386 112	357 822
6.1 - Building Regulations & Enforce		944	690	979	899	899	899	944	991	1 040
6.2 - Electricity: Administration		220 726	211 203	226 811	268 154	268 374	268 374	267 434	293 072	323 386
6.3 - Electricity: Street Lights		927	–	708	821	821	821	–	1 565	–
6.4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–
6.5 - Mechanical Workshop		–	–	–	–	–	–	–	–	–
6.6 - Public Toilets		20	–	–	–	–	–	–	–	–
6.7 - Sewerage		28 580	40 320	34 078	23 304	23 304	23 304	29 914	32 172	21 894
6.8 - Town Planning		128	303	213	1 756	1 756	1 756	794	834	875
6.9 - Stormwater Management		1 817	1 789	12 088	3 391	3 391	3 391	13 819	11 320	–
6.10 - Roads		56 329	4 189	18 111	6 337	7 493	7 493	17 647	46 159	10 626
Vote 7 - Technical Services		62 726	93 511	75 001	81 166	81 263	81 263	96 840	111 623	76 002
7.1 - Solid Waste (Dumping Site)		651	859	769	630	1 500	1 500	10 024	7 775	743
7.2 - Solid Waste (Garden)		–	–	–	4	4	4	5	5	5
7.3 - Solid Waste (Removal)		21 493	25 107	24 578	24 510	25 456	25 456	21 955	23 259	24 294
7.4 - Water Storage		–	–	–	–	–	–	–	11 279	–
7.5 - Water Distribution		40 582	67 545	49 654	56 021	54 303	54 303	64 856	69 305	50 959
7.6 - Director: Technical Services		–	–	–	–	–	–	–	–	–
7.7 - Electricity: Client Services		–	–	–	–	–	–	–	–	–
7.8 - Electricity: Generation		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 8 - Muncipal Manager		238	554	537	1 495	1 495	1 495	1 542	1 607	1 675
8.1 - Municipal Manager		–	–	–	–	–	–	–	–	–
8.2 - Property & Legal Services		–	543	537	868	868	868	912	957	1 005
8.3 - IDP		–	–	–	–	–	–	–	–	–
8.4 - Project Management		238	11	–	626	626	626	630	650	670
8.5 - Performance Management		–	–	–	–	–	–	–	–	–
8.6 - Internal Audit		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	610 245	564 409	588 051	660 803	663 791	663 791	669 441	762 599	749 194

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure by Vote	1									
Vote 1 - Financial Services		30 564	27 219	34 049	47 140	51 556	51 556	52 907	54 892	58 552
1.1 - Assessment Rates		4 891	(1 651)	1 748	3 174	6 731	6 731	3 819	4 217	4 455
1.2 - Treasury: Administration		7 249	9 688	11 488	21 185	22 875	22 875	25 318	25 128	26 627
1.3 - Treasury: Debtors		5 322	5 136	5 069	6 400	5 891	5 891	6 410	6 879	7 375
1.4 - Treasury: Credit controle		6 770	7 420	8 588	8 651	7 865	7 865	8 487	9 093	9 756
1.5 - Supply Chain Management		4 612	4 871	5 949	5 970	6 440	6 440	6 963	7 504	8 091
1.6 - Director: Finance		1 720	1 755	1 206	1 759	1 755	1 755	1 909	2 070	2 247
Vote 2 - Community Services		53 826	47 728	46 668	40 684	39 524	39 524	42 428	45 601	48 530
2.1 - Cemetries		2 417	2 581	2 903	3 317	3 293	3 293	3 585	3 874	4 185
2.2 - Controle Centre		–	–	–	–	–	–	–	–	–
2.3 - Housing: Administration		27 532	16 468	12 954	6 126	5 012	5 012	5 807	6 218	6 660
2.4 - Library Services		8 242	9 079	10 568	11 066	11 066	11 066	11 714	12 659	13 240
2.5 - Fire Protection Sevices		6 881	9 196	10 010	9 416	9 425	9 425	9 867	10 555	11 260
2.6 - Pine Forest : Administration		8 755	10 404	10 234	10 758	10 729	10 729	11 454	12 295	13 184
2.7 - Pine Forest : Security Service		–	–	–	–	–	–	–	–	–
2.8 - Pine Forest:Semi Permanent Uni		–	–	–	–	–	–	–	–	–
2.9 - Pine Forest : Cleaning Service		–	–	–	–	–	–	–	–	–
2.10 - Pine Forest : Swimming Pool		–	–	–	–	–	–	–	–	–
Vote 3 - Community Services		42 579	45 455	39 622	49 582	49 601	49 601	51 839	52 793	56 181
3.1 - Community Halls And Facilities		5 707	5 043	5 176	5 787	5 794	5 794	6 250	6 746	7 238
3.2 - Klipriver Park: Administration		1 073	867	896	1 343	1 343	1 343	1 457	1 580	1 709
3.3 - Kliprivirpark:Cleaning Service		–	–	–	–	–	–	–	–	–
3.4 - Klipriver Park: Swimming Pool		–	–	–	–	–	–	–	–	–
3.5 - Licensing & Regulation		1 675	60	18	60	60	60	62	65	69
3.6 - Enviromental Protection		70	1 321	651	2 390	2 539	2 539	2 009	2 171	2 343
3.7 - Parks		4 712	5 578	6 489	7 007	7 027	7 027	7 529	8 084	8 617
3.8 - Traffic		24 393	27 953	21 798	27 127	26 675	26 675	28 022	29 733	31 499
3.9 - Disaster Management		20	57	55	47	83	83	77	80	84
3.10 - Social & Welfare Services		4 929	4 575	4 539	5 820	6 080	6 080	6 433	4 333	4 622
Vote 4 - Community Services		12 737	14 040	13 678	47 226	46 662	46 662	19 452	20 985	53 362
4.1 - Housing Construction		–	–	–	29 000	29 000	29 000	–	–	31 030
4.2 - Director: Community Services		1 523	1 569	256	1 611	1 610	1 610	1 749	1 899	2 062
4.3 - Recreational Land		3 720	4 391	4 482	4 988	5 005	5 005	5 352	5 767	6 171
4.4 - Swimming Pools		2 261	2 322	3 188	4 696	3 892	3 892	4 932	5 267	5 568
4.5 - Vehicle Licensing & Testing		3 065	3 422	3 774	3 974	4 254	4 254	4 312	4 666	5 050
4.6 - Property Maintenance		–	–	–	418	418	418	453	490	531
4.7 - L E D		1 825	1 921	1 570	2 227	2 172	2 172	2 215	2 380	2 554
4.8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–
4.9 - Thusong Centre		343	417	407	312	312	312	441	516	396
		–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 5 - Corporate Services		49 390	50 304	31 035	60 296	82 449	82 449	81 238	86 290	91 802
5.1 - Property Administration		2 430	3 529	1 530	–	–	–	–	–	–
5.2 - Information Tecnology		1 525	2 056	2 928	3 658	3 718	3 718	4 001	4 207	4 379
5.3 - Human Resources		19 981	17 485	(4 572)	19 972	34 863	34 863	37 508	39 761	42 483
5.4 - Council Cost		13 984	13 781	14 838	18 767	17 983	17 983	19 731	20 774	21 836
5.5 - Town Secretary		733	1 200	1 320	1 385	1 385	1 385	1 505	1 635	1 776
5.6 - Tourism		1 705	768	806	854	854	854	897	938	985
5.7 - Director Corporate Services		–	1 620	1 711	1 846	1 866	1 866	1 999	2 165	2 346
5.8 - Marketing & Communications		2 831	3 055	3 110	3 691	3 749	3 749	3 969	4 286	4 626
5.9 - Administration		6 200	6 811	9 364	10 124	18 031	18 031	11 628	12 523	13 372
		–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		252 457	256 732	272 144	323 828	325 900	325 900	334 930	362 615	395 085
6.1 - Building Regulations & Enforce		2 168	2 500	2 583	2 669	2 669	2 669	2 884	3 115	3 365
6.2 - Electricity: Administration		199 151	199 246	205 289	257 174	256 444	256 444	265 464	290 108	318 497
6.3 - Electricity: Street Lights		1 938	134	175	–	–	–	–	–	–
6.4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–
6.5 - Mechanical Workshop		1 272	1 756	2 598	2 796	2 596	2 596	2 845	3 073	3 317
6.6 - Public Toilets		1 462	1 363	1 432	1 710	1 710	1 710	1 875	2 029	2 197
6.7 - Sewerage		23 727	23 139	27 884	26 977	28 821	28 821	28 888	30 821	32 536
6.8 - Town Planning		1 015	1 136	1 494	2 251	2 251	2 251	2 857	1 471	1 594
6.9 - Stormwater Management		4 625	6 049	6 508	5 720	5 720	5 720	6 691	7 115	7 483
6.10 - Roads		17 098	21 410	24 181	24 531	25 688	25 688	23 425	24 883	26 096
Vote 7 - Technical Services		61 797	64 914	83 736	73 373	79 961	79 961	84 015	89 511	94 488
7.1 - Solid Waste (Dumping Site)		17 336	8 543	13 624	16 543	16 235	16 235	16 613	17 536	18 369
7.2 - Solid Waste (Garden)		11 143	13 672	16 360	13 006	12 399	12 399	12 000	12 902	13 811
7.3 - Solid Waste (Removal)		11 319	13 122	14 377	12 798	14 686	14 686	17 441	18 694	19 905
7.4 - Water Storage		2 520	2 590	2 524	3 366	3 666	3 666	4 576	4 814	4 955
7.5 - Water Distribution		17 879	25 435	35 180	25 875	31 158	31 158	31 430	33 446	35 150
7.6 - Director: Technical Services		1 599	1 552	1 672	1 786	1 818	1 818	1 956	2 120	2 299
7.7 - Electricity: Client Services		–	–	–	–	–	–	–	–	–
7.8 - Electricity: Generation		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Vote 8 - Muncipal Manager		9 580	9 824	10 589	12 551	13 710	13 710	15 685	16 769	17 939
8.1 - Municipal Manager		2 723	2 632	2 702	3 201	3 194	3 194	3 683	3 945	4 229
8.2 - Property & Legal Services		1 548	1 805	2 188	1 980	3 487	3 487	3 703	3 906	4 122
8.3 - IDP		1 702	1 761	1 825	2 182	2 097	2 097	2 290	2 456	2 636
8.4 - Project Management		630	512	537	1 208	1 207	1 207	1 310	1 420	1 538
8.5 - Performance Management		1 051	967	1 022	1 331	1 100	1 100	1 437	1 551	1 675
8.6 - Internal Audit		1 926	2 147	2 316	2 650	2 623	2 623	3 263	3 490	3 739
Total Expenditure by Vote	2	512 929	516 217	531 521	654 680	689 363	689 363	682 493	729 455	815 938
Surplus/(Deficit) for the year	2	97 316	48 192	56 530	6 123	(25 572)	(25 572)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2	59 649	63 712	69 879	72 282	72 282	72 282	66 080	76 388	81 736	85 822
Service charges - electricity revenue	2	215 351	210 359	221 840	265 119	265 339	265 339	207 468	266 973	289 598	318 903
Service charges - water revenue	2	33 438	45 429	35 547	35 901	35 901	35 901	32 758	35 137	37 630	39 821
Service charges - sanitation revenue	2	18 008	26 997	24 904	22 080	22 080	22 080	22 009	18 352	19 453	20 425
Service charges - refuse revenue	2	19 767	23 384	22 909	23 853	23 853	23 853	21 235	21 271	22 547	23 547
Rental of facilities and equipment		8 177	5 990	5 441	7 567	7 567	7 567	4 115	2 663	8 342	8 759
Interest earned - external investments		8 512	8 122	8 551	8 695	8 695	8 695	5 300	9 129	9 586	9 089
Interest earned - outstanding debtors		7 816	11 044	10 545	7 870	7 870	7 870	10 539	8 264	8 677	9 111
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		20 695	22 002	13 452	19 482	19 482	19 482	47	20 456	21 479	22 553
Licences and permits		145	4 751	1 125	1 915	1 915	1 915	3 859	2 010	2 111	2 216
Agency services		4 352	–	3 789	3 670	3 670	3 670	–	3 854	4 046	4 249
Transfers and subsidies		101 429	94 263	105 201	138 467	139 123	139 123	108 837	116 989	125 089	166 900
Other revenue	2	18 964	13 876	10 692	9 725	9 687	9 687	8 263	9 240	11 847	9 632
Gains		232	–	1 157	(0)	(0)	(0)	–	(0)	(0)	–
Total Revenue (excluding capital transfers and contributions)		516 534	529 928	535 031	616 625	617 464	617 464	490 508	590 725	642 140	721 028
Expenditure By Type											
Employee related costs	2	133 332	155 415	166 502	192 524	208 383	208 383	165 558	226 182	242 401	262 678
Remuneration of councillors		8 780	9 170	9 458	11 459	11 459	11 459	7 940	12 032	12 633	13 265
Debt impairment	3	37 713	1 108	41 140	33 598	43 498	43 498	16	44 688	47 670	50 416
Depreciation & asset impairment	2	26 280	28 699	30 415	45 590	45 590	45 590	14 018	40 688	42 918	42 918
Finance charges		17 573	8 675	15 847	8 840	8 724	8 724	269	9 181	9 635	10 108
Bulk purchases	2	179 203	179 705	188 783	229 196	229 196	229 196	160 600	232 760	252 871	279 144
Other materials	8	–	15 173	15 556	17 591	18 697	18 697	11 906	19 528	20 425	21 410
Contracted services		42 642	36 101	41 971	43 731	51 596	51 596	31 419	48 486	52 008	54 155
Transfers and subsidies		941	13 920	10 019	30 962	31 179	31 179	20 660	2 179	1 859	32 976
Other expenditure	4, 5	66 465	68 250	12 988	41 188	41 041	41 041	57 547	46 770	47 035	48 867
Losses		–	–	–	0	0	0	–	0	0	–
Total Expenditure		512 929	516 217	532 678	654 680	689 363	689 363	469 932	682 493	729 455	815 938
Surplus/(Deficit)		3 605	13 711	2 352	(38 055)	(71 900)	(71 900)	20 577	(91 768)	(87 315)	(94 910)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		38 768	34 481	54 177	44 178	45 826	45 826	1	78 716	120 459	28 167
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	501	501	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		54 943		–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)

WC022 Witzenberg - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - Financial Services		–	–	–	–	–	–	(1 336)	–	–	–
Vote 2 - Community Services		–	–	–	1 700	2 175	2 175	–	–	–	–
Vote 3 - Community Services		–	–	637	–	–	–	–	–	–	–
Vote 4 - Community Services		–	–	–	2 506	–	–	–	–	–	–
Vote 5 - Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		–	–	37 256	15 759	18 668	18 668	1 912	14 421	77 575	6 593
Vote 7 - Technical Services		–	14 570	10 132	17 931	17 212	17 212	–	26 288	41 096	–
Vote 8 - Muncipal Manager		–	–	–	26	26	26	–	–	–	–
Capital multi-year expenditure sub-total		–	14 570	48 025	37 923	38 081	38 081	576	40 708	118 670	6 593
Single-year expenditure *to be appropriated*	2										
Vote 1 - Financial Services		548	215	675	80	80	80	(1 487)	–	–	–
Vote 2 - Community Services		4 921	1 153	292	922	922	922	–	–	137	5 619
Vote 3 - Community Services		1 698	4 315	2 092	3 505	4 024	4 024	–	620	–	80
Vote 4 - Community Services		624	482	1 010	10 465	13 745	13 745	278	900	–	30
Vote 5 - Corporate Services		268	1 257	1 021	3 380	4 560	4 560	–	1 050	–	600
Vote 6 - Technical Services		78 982	30 847	29 980	13 619	13 657	13 657	1 271	35 021	4 109	15 891
Vote 7 - Technical Services		28 200	10 990	3 544	1 690	6 289	6 289	–	10 465	11 279	9 526
Vote 8 - Muncipal Manager		–	27	18	30	30	30	0	–	–	–
Capital single-year expenditure sub-total		115 242	49 286	38 631	33 690	43 308	43 308	62	48 056	15 525	31 747
Total Capital Expenditure - Vote	3,7	115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340

WC022 Witzenberg - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional											
Governance and administration		816	1 535	1 782	2 726	6 572	6 572	–	1 400	–	600
Executive and council		–	–	388	176	2 382	2 382	–	600	–	–
Finance and administration		816	1 535	1 394	2 550	4 190	4 190	–	800	–	600
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		8 170	6 844	3 513	18 572	18 697	18 697	62	1 520	137	5 729
Community and social services		1 218	645	187	4 150	4 986	4 986	–	580	137	4 859
Sport and recreation		2 218	2 039	3 326	13 501	12 715	12 715	62	940	–	70
Public safety		4 734	3 801	–	922	997	997	–	–	–	800
Housing		–	359	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		60 270	9 338	33 399	13 782	15 358	15 358	64	20 245	53 978	12 984
Planning and development		–	20	491	–	1 577	1 577	3	–	–	–
Road transport		60 270	9 319	32 908	13 782	13 782	13 782	61	20 245	53 978	12 984
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		45 986	46 138	47 963	36 533	40 763	40 763	513	65 600	80 080	19 026
Energy sources		31 644	3 794	11 378	8 700	9 135	9 135	12	2 500	5 065	8 000
Water management		25 370	22 269	12 522	19 581	17 384	17 384	–	27 396	39 990	9 526
Waste water management		–	16 820	22 950	7 241	8 171	8 171	501	26 347	22 640	1 500
Waste management		(11 028)	3 256	1 112	1 010	6 073	6 073	–	9 356	12 384	–
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3,7	115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340
Funded by:											
National Government		26 846	30 018	25 874	38 506	36 789	36 789	624	35 763	40 614	25 237
Provincial Government		11 824	8 554	27 586	6 672	8 537	8 537	24	42 954	79 845	2 930
District Municipality		–	–	717	500	500	500	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		54 014	–	–	–	501	501	–	–	–	–
Transfers recognised - capital	4	92 684	38 572	54 177	45 678	46 327	46 327	647	78 716	120 459	28 167
Public contributions & donations	5	–	–	–	–	–	–	–	–	–	–
Borrowing	6	–	3 523	–	–	3 043	3 043	–	–	–	–
Internally generated funds		22 558	21 760	32 479	25 935	32 019	32 019	(9)	10 048	13 737	10 173
Total Capital Funding	7	115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340

WC022 Witzenberg - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Municipal Vote																						
Multi-year expenditure appropriation	2																					
Vote 1 - Financial Services		–	–	–	–	–	–	(1 336)	–	–	–	–	–	–	–	–	–	–	–	–	–	–
1.1 - Assessment Rates		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1.2 - Treasury: Administration		–	–	–	–	–	–	(1 336)	–	–	–				–				–	–	–	–
1.3 - Treasury: Debtors		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1.4 - Treasury: Credit controle		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1.5 - Supply Chain Management		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
1.6 - Director: Finance		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 2 - Community Services		–	–	–	1 700	2 175	2 175	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
2.1 - Cemetries		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.2 - Controle Centre		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.3 - Housing: Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.4 - Library Services		–	–	–	1 500	1 900	1 900	–	–	–	–				–				–	–	–	–
2.5 - Fire Protection Sevices		–	–	–	200	275	275	–	–	–	–				–				–	–	–	–
2.6 - Pine Forest : Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.7 - Pine Forest : Security Service		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.8 - Pine Forest:Semi Permanent Uni		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.9 - Pine Forest : Cleaning Service		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
2.10 - Pine Forest : Swimming Pool		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 3 - Community Services		–	–	637	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
3.1 - Community Halls And Facilities		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.2 - Klipriver Park: Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.3 - Kliprivirpark:Cleaning Service		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.4 - Klipriver Park: Swimming Pool		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.5 - Licensing & Regulation		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.6 - Enviromental Protection		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.7 - Parks		–	–	637	–	–	–	–	–	–	–				–				–	–	–	–
3.8 - Traffic		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.9 - Disaster Management		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
3.10 - Social & Welfare Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 4 - Community Services		–	–	–	2 506	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
4.1 - Housing Construction		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.2 - Director: Community Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.3 - Recreational Land		–	–	–	2 506	–	–	–	–	–	–				–				–	–	–	–
4.4 - Swimming Pools		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.5 - Vehicle Licensing & Testing		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.6 - Property Maintenance		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.7 - L E D		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
4.9 - Thusong Centre		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 5 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
5.1 - Property Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.2 - Information Tecnology		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.3 - Human Resources		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.4 - Council Cost		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.5 - Town Secretary		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.6 - Tourism		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.7 - Director Corporate Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.8 - Marketing & Communications		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
5.9 - Administration		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 6 - Technical Services		–	–	37 256	15 759	18 668	18 668	1 912	14 421	77 575	6 593	–	–	–	–	–	–	–	–	14 421	77 575	6 593
6.1 - Building Regulations & Enforce		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6.2 - Electricity: Administration		–	–	9 226	3 560	3 371	3 371	785	2 500	500	4 000				–				–	2 500	500	4 000
6.3 - Electricity: Street Lights		–	–	1 198	1 171	1 397	1 397	565	–	1 565	–				–				–	–	1 565	–
6.4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6.5 - Mechanical Workshop		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6.6 - Public Toilets		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6.7 - Sewerage		–	–	7 000	–	–	–	–	–	11 320	–				–				–	–	11 320	–
6.8 - Town Planning		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
6.9 - Stormwater Management		–	–	12 088	3 391	3 263	3 263	501	4 331	11 320	–				–				–	4 331	11 320	–
6.10 - Roads		–	–	7 744	7 637	10 637	10 637	61	7 590	52 870	2 593				–				–	7 590	52 870	2 593

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 7 - Technical Services		–	14 570	10 132	17 931	17 212	17 212	–	26 288	41 096	–	–	–	–	–	–	–	–	–	26 288	41 096	–
7.1 - Solid Waste (Dumping Site)		–	–	603	1 000	1 998	1 998	–	9 356	12 384	–				–				–	9 356	12 384	–
7.2 - Solid Waste (Garden)		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7.3 - Solid Waste (Removal)		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7.4 - Water Storage		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7.5 - Water Distribution		–	14 570	9 529	16 931	15 214	15 214	–	16 931	28 711	–				–				–	16 931	28 711	–
7.6 - Director: Technical Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7.7 - Electricity: Client Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
7.8 - Electricity: Generation		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Vote 8 - Muncipal Manager		–	–	–	26	26	26	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
8.1 - Municipal Manager		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8.2 - Property & Legal Services		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8.3 - IDP		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8.4 - Project Management		–	–	–	26	26	26	–	–	–	–				–				–	–	–	–
8.5 - Performance Management		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
8.6 - Internal Audit		–	–	–	–	–	–	–	–	–	–				–				–	–	–	–
Capital multi-year expenditure sub-total		–	14 570	48 025	37 923	38 081	38 081	576	40 708	118 670	6 593	–	–	–	–	–	–		–	40 708	118 670	

Capital expenditure - Municipal Vote Single-year expenditure appropriation	2										
Vote 1 - Financial Services		548	215	675	80	80	80	(1 487)	–	–	–
1.1 - Assessment Rates		–	–	–	–	–	–	–	–	–	–
1.2 - Treasury: Administration		548	176	591	50	50	50	(1 335)	–	–	–
1.3 - Treasury: Debtors		–	–	–	–	–	–	–	–	–	–
1.4 - Treasury: Credit controle		–	–	–	–	–	–	–	–	–	–
1.5 - Supply Chain Management		–	–	–	–	–	–	(152)	–	–	–
1.6 - Director: Finance		–	39	85	30	30	30	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Vote 2 - Community Services		4 921	1 153	292	922	922	922	–	–	137	5 619
2.1 - Cemetries		–	–	–	200	200	200	–	–	137	4 819
2.2 - Controle Centre		–	–	–	–	–	–	–	–	–	–
2.3 - Housing: Administration		–	359	–	–	–	–	–	–	–	–
2.4 - Library Services		537	–	–	–	–	–	–	–	–	–
2.5 - Fire Protection Sevices		3 438	549	–	722	722	722	–	–	–	800
2.6 - Pine Forest : Administration		946	246	292	–	–	–	–	–	–	–
2.7 - Pine Forest : Security Service		–	–	–	–	–	–	–	–	–	–
2.8 - Pine Forest:Semi Permanent Uni		–	–	–	–	–	–	–	–	–	–
2.9 - Pine Forest : Cleaning Service		–	–	–	–	–	–	–	–	–	–
2.10 - Pine Forest : Swimming Pool		–	–	–	–	–	–	–	–	–	–
Vote 3 - Community Services		1 698	4 315	2 092	3 505	4 024	4 024	–	620	–	80
3.1 - Community Halls And Facilities		677	645	129	2 450	2 886	2 886	–	580	–	40
3.2 - Klipriver Park: Administration		–	–	–	–	–	–	–	–	–	–
3.3 - Kliprivirpark:Cleaning Service		–	–	–	–	–	–	–	–	–	–
3.4 - Klipriver Park: Swimming Pool		–	–	–	–	–	–	–	–	–	–
3.5 - Licensing & Regulation		–	–	–	–	–	–	–	–	–	–
3.6 - Enviromental Protection		–	–	–	–	–	–	–	–	–	–
3.7 - Parks		648	1 351	1 963	560	644	644	–	40	–	40
3.8 - Traffic		368	2 318	–	495	495	495	–	–	–	–
3.9 - Disaster Management		–	–	–	–	–	–	–	–	–	–
3.10 - Social & Welfare Services		4	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		624	482	1 010	10 465	13 745	13 745	278	900	–	30
4.1 - Housing Construction		–	–	–	–	–	–	–	–	–	–
4.2 - Director: Community Services		–	26	27	30	98	98	–	–	–	–
4.3 - Recreational Land		–	–	346	10 435	12 071	12 071	275	900	–	30
4.4 - Swimming Pools		624	436	88	–	–	–	–	–	–	–
4.5 - Vehicle Licensing & Testing		–	–	–	–	–	–	–	–	–	–
4.6 - Property Maintenance		–	–	–	–	–	–	–	–	–	–
4.7 - L E D		–	20	549	–	1 577	1 577	3	–	–	–
4.8 - Housing : Maintenance		–	–	–	–	–	–	–	–	–	–
4.9 - Thusong Centre		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Vote 5 - Corporate Services		268	1 257	1 021	3 380	4 560	4 560	–	1 050	–	600
5.1 - Property Administration		–	–	–	–	–	–	–	–	–	–
5.2 - Information Tecnology		–	314	634	550	666	666	–	450	–	600
5.3 - Human Resources		–	–	–	–	–	–	–	–	–	–
5.4 - Council Cost		–	–	–	1 000	2 099	2 099	–	600	–	–
5.5 - Town Secretary		–	–	–	–	–	–	–	–	–	–
5.6 - Tourism		–	–	–	–	–	–	–	–	–	–
5.7 - Director Corporate Services		–	169	217	30	55	55	–	–	–	–
5.8 - Marketing & Communications		–	661	148	300	240	240	–	–	–	–
5.9 - Administration		268	113	21	1 500	1 500	1 500	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		78 982	30 847	29 980	13 619	13 657	13 657	1 271	35 021	4 109	15 891
6.1 - Building Regulations & Enforce		–	–	–	–	–	–	–	–	–	–
6.2 - Electricity: Administration		31 644	3 794	102	3 969	4 366	4 366	1 161	–	3 000	4 000
6.3 - Electricity: Street Lights		927	934	852	–	–	–	–	–	–	–
6.4 - Electricity: Distribution		–	–	–	–	–	–	–	–	–	–
6.5 - Mechanical Workshop		6	33	–	150	1 733	1 733	–	350	–	–
6.6 - Public Toilets		–	–	–	700	1 300	1 300	–	–	–	–
6.7 - Sewerage		(15 957)	15 031	3 562	2 700	3 158	3 158	110	12 528	–	1 500
6.8 - Town Planning		–	–	–	–	–	–	–	–	–	–
6.9 - Stormwater Management		2 099	1 789	300	450	450	450	–	9 489	–	–
6.10 - Roads		60 264	9 266	25 164	5 650	2 650	2 650	–	12 655	1 109	10 391
Vote 7 - Technical Services		28 200	10 990	3 544	1 690	6 289	6 289	–	10 465	11 279	9 526
7.1 - Solid Waste (Dumping Site)		–	–	–	–	–	–	–	–	–	–
7.2 - Solid Waste (Garden)		–	3 261	509	10	3 573	3 573	–	–	–	–
7.3 - Solid Waste (Removal)		2 830	–	–	–	501	501	–	–	–	–
7.4 - Water Storage		–	–	–	–	–	–	–	–	11 279	–
7.5 - Water Distribution		25 370	7 699	2 993	1 650	2 170	2 170	–	10 465	–	9 526
7.6 - Director: Technical Services		–	30	41	30	45	45	–	–	–	–
7.7 - Electricity: Client Services		–	–	–	–	–	–	–	–	–	–
7.8 - Electricity: Generation		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Vote 8 - Muncipal Manager		–	27	18	30	30	30	0	–	–	–
8.1 - Municipal Manager		–	15	18	30	30	30	0	–	–	–
8.2 - Property & Legal Services		–	–	–	–	–	–	–	–	–	–
8.3 - IDP		–	–	–	–	–	–	–	–	–	–
8.4 - Project Management		–	11	–	–	–	–	–	–	–	–
8.5 - Performance Management		–	–	–	–	–	–	–	–	–	–
8.6 - Internal Audit		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		115 242	49 286	38 631	33 690	43 308	43 308	62	48 056	15 525	31 747
Total Capital Expenditure		115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340

Multi-year appropriation for Budget Year 2020/21 in the 2019/20 Annual Budget				Multi-year appropriation for 2021/22 in the 2019/20 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Appropriation for 2020/21	Adjustments in 2019/20	Downward adjustments for 2020/21	Appropriation carried forward	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

WC022 Witzenberg - Table A6 Budgeted Financial Position

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Current assets											
Cash		76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 462	28 821	17 889
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	57 887	51 223	51 611	52 523	31 805	31 805	31 805	38 038	36 259	32 962
Other debtors		7 227	20 889	26 099	25 493	25 493	25 493	25 493	20 630	9 592	(748)
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	9 347	11 402	11 693	11 693	11 693	11 693	11 693	11 693	11 693	11 693
Total current assets		150 794	181 020	183 674	183 059	135 278	135 278	135 278	108 824	86 365	61 796
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments			–	–	–	–	–	–	–	–	–
Investment property		47 759	45 660	44 492	44 492	44 492	44 492	44 492	44 492	44 492	44 492
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	808 059	843 242	918 262	944 286	954 062	954 062	954 062	1 002 139	1 093 416	1 088 838
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		2 506	2 650	2 029	2 029	2 029	2 029	2 029	2 029	2 029	2 029
Other non-current assets		16 635	13 660	550	550	550	550	550	550	550	550
Total non current assets		874 960	905 212	965 334	991 357	1 001 134	1 001 134	1 001 134	1 049 210	1 140 488	1 135 909
TOTAL ASSETS		1 025 754	1 086 232	1 149 007	1 174 416	1 136 411	1 136 411	1 136 411	1 158 034	1 226 852	1 197 705
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	3 717	2 276	1 518	–	–	–	–	–	–	–
Consumer deposits		3 666	6 418	7 150	7 150	7 150	7 150	7 150	7 150	7 150	7 150
Trade and other payables	4	48 681	52 504	60 983	60 983	60 983	60 983	60 983	47 310	30 007	15 534
Provisions		17 447	19 696	21 801	33 612	48 612	48 612	48 612	76 091	105 159	136 227
Total current liabilities		73 511	80 895	91 452	101 744	116 744	116 744	116 744	130 550	142 316	158 910
Non current liabilities											
Borrowing		7 503	5 192	4 704	6 222	6 222	6 222	6 222	4 722	3 222	1 722
Provisions		145 635	152 724	150 812	158 286	158 286	158 286	158 286	180 655	206 065	228 567
Total non current liabilities		153 138	157 917	155 516	164 509	164 509	164 509	164 509	185 378	209 287	230 289
TOTAL LIABILITIES		226 649	238 811	246 968	266 253	281 253	281 253	281 253	315 928	351 603	389 200
NET ASSETS	5	799 105	847 421	902 040	908 163	855 158	855 158	855 158	842 106	875 249	808 505
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		788 750	837 066	891 685	897 808	844 803	844 803	844 803	831 751	864 894	798 150
Reserves	4	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	5	799 105	847 421	902 040	908 163	855 158	855 158	855 158	842 106	875 249	808 505

WC022 Witzenberg - Table A7 Budgeted Cash Flows

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		49 505	63 618	71 498	68 667	68 667	68 667	68 667	72 569	77 649	81 531
Service charges		322 926	308 615	299 778	340 211	340 211	340 211	340 211	315 962	353 258	385 743
Other revenue		50 820	59 406	1 076	24 319	23 319	23 319	23 319	21 754	33 030	31 874
Transfers and Subsidies - Operational	1	70 845	89 929	126 944	138 467	139 923	139 923	139 923	116 989	125 089	166 900
Transfers and Subsidies - Capital	1	51 237	39 096	36 531	44 178	46 327	46 327	46 327	78 716	120 459	28 167
Interest		9 005	6 457	11 596	11 056	11 056	11 056	11 056	17 393	18 262	18 200
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(360 554)	(386 180)	(454 855)	(523 878)	(543 670)	(543 670)	(543 670)	(557 432)	(598 047)	(649 076)
Finance charges		(1 296)	(499)	(651)	(1 366)	(1 249)	(1 249)	(1 249)	(1 332)	(1 786)	(1 455)
Transfers and Grants	1	(112 358)	(95 963)	(10 019)	(30 962)	(31 179)	(31 179)	(31 179)	(2 179)	(1 859)	(32 976)
NET CASH FROM/(USED) OPERATING ACTIVITIES		80 132	84 479	81 900	70 692	53 405	53 405	53 405	62 440	126 055	28 908
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	3 268	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		23 000	1 543	–	–	–	–	–	–	–	–
Payments											
Capital assets		(115 647)	(63 800)	(86 657)	(71 613)	(81 390)	(81 390)	(81 390)	(88 764)	(134 196)	(38 340)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(92 647)	(62 257)	(83 389)	(71 613)	(81 390)	(81 390)	(81 390)	(88 764)	(134 196)	(38 340)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		501	1 085	731	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		(8 651)	(2 179)	(2 477)	–	–	–	–	(1 500)	(1 500)	(1 500)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(8 150)	(1 094)	(1 745)	–	–	–	–	(1 500)	(1 500)	(1 500)
NET INCREASE/ (DECREASE) IN CASH HELD		(20 665)	21 127	(3 234)	(921)	(27 985)	(27 985)	(27 985)	(27 824)	(9 641)	(10 932)
Cash/cash equivalents at the year begin:	2	96 998	76 379	97 506	94 272	94 272	94 272	94 272	66 287	38 463	28 822
Cash/cash equivalents at the year end:	2	76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 463	28 822	17 890

WC022 Witzenberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available											
Cash/cash equivalents at the year end	1	76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 463	28 822	17 890
Other current investments > 90 days		(0)	0	0	(0)	(0)	(0)	(0)	(0)	(1)	(1)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 462	28 821	17 889
Application of cash and investments											
Unspent conditional transfers		4 665	5 750	12 794	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	(23 805)	(26 049)	(20 685)	(11 006)	8 254	8 254	(4 814)	(4 499)	(11 911)	(13 968)
Other provisions		4 456	–	18 659	14	14	14	28 155	15	15	16
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		(14 683)	(20 299)	10 768	(10 992)	8 268	8 268	23 341	(4 484)	(11 896)	(13 952)
Surplus(shortfall)		91 016	117 805	83 504	104 343	58 019	58 019	42 945	42 946	40 717	31 842

Other working capital requirements											
Debtors		67 820	72 803	68 874	71 989	52 729	52 729	65 797	51 809	41 918	29 502
Creditors due		44 015	46 754	48 189	60 983	60 983	60 983	60 983	47 310	30 007	15 534
Total		23 805	26 049	20 685	11 006	(8 254)	(8 254)	4 814	4 499	11 911	13 968

Debtors collection assumptions											
Balance outstanding - debtors		65 114	72 112	77 709	78 016	57 298	57 298	57 298	58 669	45 851	32 214
Estimate of debtors collection rate		104.2%	101.0%	88.6%	92.3%	92.0%	92.0%	114.8%	88.3%	91.4%	91.6%

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Long term investments committed											
Balance (*Insert description; eg sinking fund)*											
Bankers Acceptance Certificate		–	–	–	–	–	–	–	–	–	–
Deposit Taking Institutions		–	–	–	–	–	–	–	–	–	–
Bank Repurchase Agreements		–	–	–	–	–	–	–	–	–	–
Derivative Financial Assets		–	–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (Sinking)		–	–	–	–	–	–	–	–	–	–
Listed/Unlisted Bonds and Stocks		–	–	–	–	–	–	–	–	–	–
Municipal Bonds		–	–	–	–	–	–	–	–	–	–
National Government Securities		–	–	–	–	–	–	–	–	–	–
Negotiable Certificate of Deposits: Banks		–	–	–	–	–	–	–	–	–	–
Unamortised Debt Expense		–	–	–	–	–	–	–	–	–	–
Unamortised Preference Share Expense		–	–	–	–	–	–	–	–	–	–
Interest Rate Swaps		–	–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves											
Compensation for Occupational Injuries and Diseases		–	–	–	–	–	–	–	–	–	–
Employee Benefit Reserve		–	–	–	–	–	–	–	–	–	–
Non-current Provisions Reserve		–	–	–	–	–	–	–	–	–	–
Valuation Reserve		–	–	–	–	–	–	–	–	–	–
Investment in associate account		–	–	–	–	–	–	–	–	–	–
Capitalisation Reserve		–	–	–	–	–	–	–	–	–	–
Equity		–	–	–	–	–	–	–	–	–	–
Non-Controlling Interest		–	–	–	–	–	–	–	–	–	–
Share Premium		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
		10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355

WC022 Witzenberg - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE										
Total New Assets	1	110 462	52 099	60 600	34 532	43 890	43 890	74 627	46 866	26 747
Roads Infrastructure		35 398	4 819	18 254	2 806	2 806	2 806	13 417	935	1 565
Storm water Infrastructure		–	1 789	12 088	3 391	3 263	3 263	13 819	–	–
Electrical Infrastructure		32 779	1 404	5 778	3 430	3 865	3 865	–	4 565	4 000
Water Supply Infrastructure		34 439	21 621	9 529	16 931	15 214	15 214	26 896	28 670	8 026
Sanitation Infrastructure		(4 657)	11 172	7 457	700	1 300	1 300	10 228	–	–
Solid Waste Infrastructure		–	629	603	1 000	2 500	2 500	9 356	12 384	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*97 959*	*41 434*	*53 709*	*28 259*	*28 948*	*28 948*	*73 717*	*46 555*	*13 591*
Community Facilities		–	318	549	–	1 577	1 577	–	311	11 645
Sport and Recreation Facilities		1 185	774	434	–	–	–	30	–	30
Community Assets		*1 185*	*1 093*	*983*	*–*	*1 577*	*1 577*	*30*	*311*	*11 675*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		1 222	2 914	–	330	330	330	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		*1 222*	*2 914*	*–*	*330*	*330*	*330*	*–*	*–*	*–*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	188	527	200	576	576	–	–	–
Intangible Assets		*–*	*188*	*527*	*200*	*576*	*576*	*–*	*–*	*–*
Computer Equipment		–	452	1 215	550	666	666	450	–	600
Furniture and Office Equipment		777	1 121	693	476	523	523	–	–	–
Machinery and Equipment		1 845	1 717	1 503	3 635	6 452	6 452	430	–	80
Transport Assets		7 474	3 181	1 971	1 082	4 818	4 818	–	–	800
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Renewal of Existing Assets	2	4 924	10 816	15 824	11 900	12 753	12 753	4 900	–	5 000
Roads Infrastructure		4 402	4 051	11 421	5 000	5 000	5 000	1 800	–	2 000
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	2 428	–	1 200	1 163	1 163	–	–	–
Water Supply Infrastructure		–	360	1 200	1 000	918	918	500	–	1 500
Sanitation Infrastructure		–	2 799	2 376	2 300	2 834	2 834	2 000	–	1 500
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*4 402*	*9 637*	*14 996*	*9 500*	*9 915*	*9 915*	*4 300*	–	*5 000*
Community Facilities		291	451	90	900	1 338	1 338	–	–	–
Sport and Recreation Facilities		213	257	290	–	–	–	–	–	–
Community Assets		*503*	*708*	*380*	*900*	*1 338*	*1 338*	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	113	21	1 500	1 500	1 500	600	–	–
Housing		–	359	–	–	–	–	–	–	–
Other Assets		–	*471*	*21*	*1 500*	*1 500*	*1 500*	*600*	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		19	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	427	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Upgrading of Existing Assets	6	(144)	940	10 232	25 181	24 746	24 746	9 237	87 330	6 593
Roads Infrastructure		–	–	2 242	5 480	5 480	5 480	5 028	52 870	2 593
Storm water Infrastructure		–	–	300	450	450	450	–	11 320	–
Electrical Infrastructure		–	–	4 932	3 910	3 947	3 947	2 500	500	4 000
Water Supply Infrastructure		–	–	711	350	350	350	–	11 320	–
Sanitation Infrastructure		(639)	940	844	300	300	300	840	11 320	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*(639)*	*940*	*9 028*	*10 490*	*10 527*	*10 527*	*8 368*	*87 330*	*6 593*
Community Facilities		494	–	–	1 750	2 148	2 148	–	–	–
Sport and Recreation Facilities		–	–	637	12 941	12 071	12 071	870	–	–
Community Assets		*494*	–	*637*	*14 691*	*14 219*	*14 219*	*870*	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	567	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Capital Expenditure	4	115 242	63 855	86 657	71 613	81 390	81 390	88 764	134 196	38 340
Roads Infrastructure		39 800	8 870	31 917	13 287	13 287	13 287	20 245	53 804	6 158
Storm water Infrastructure		–	1 789	12 388	3 841	3 713	3 713	13 819	11 320	–
Electrical Infrastructure		32 779	3 832	10 710	8 540	8 975	8 975	2 500	5 065	8 000
Water Supply Infrastructure		34 439	21 981	11 439	18 281	16 482	16 482	27 396	39 990	9 526
Sanitation Infrastructure		(5 296)	14 910	10 676	3 300	4 434	4 434	13 068	11 320	1 500
Solid Waste Infrastructure		–	629	603	1 000	2 500	2 500	9 356	12 384	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*101 722*	*52 011*	*77 733*	*48 249*	*49 390*	*49 390*	*86 384*	*133 884*	*25 184*
Community Facilities		785	770	639	2 650	5 062	5 062	–	311	11 645
Sport and Recreation Facilities		1 398	1 031	1 361	12 941	12 071	12 071	900	–	30
Community Assets		*2 183*	*1 801*	*1 999*	*15 591*	*17 133*	*17 133*	*900*	*311*	*11 675*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		1 222	3 026	21	1 830	1 830	1 830	600	–	–
Housing		–	359	–	–	–	–	–	–	–
Other Assets		*1 222*	*3 385*	*21*	*1 830*	*1 830*	*1 830*	*600*	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	188	527	200	576	576	–	–	–
Intangible Assets		–	*188*	*527*	*200*	*576*	*576*	–	–	–
Computer Equipment		–	452	1 215	550	666	666	450	–	600
Furniture and Office Equipment		796	1 121	693	476	523	523	–	–	–
Machinery and Equipment		1 845	1 717	2 497	3 635	6 452	6 452	430	–	80
Transport Assets		7 474	3 181	1 971	1 082	4 818	4 818	–	–	800
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		115 242	63 855	86 657	71 613	81 390	81 390	88 764	134 196	38 340

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSET REGISTER SUMMARY - PPE (WDV)	5	875 023	903 065	965 334	978 519	988 295	988 295	1 048 835	91 278	(4 579)
Roads Infrastructure		159 878	164 515	194 260	6 609	6 609	6 609	157 605	48 747	7 753
Storm water Infrastructure		28 638	29 192	13 907	1 972	1 843	1 843	99 612	9 229	(2 091)
Electrical Infrastructure		68 369	69 952	78 303	4 982	5 417	5 417	61 221	1 154	3 088
Water Supply Infrastructure		174 521	189 443	215 337	(5 062)	(5 144)	(5 144)	172 067	16 350	3 277
Sanitation Infrastructure		95 111	103 862	117 845	(3 854)	(2 762)	(2 762)	156 448	4 867	(4 953)
Solid Waste Infrastructure		16 076	13 105	11 326	(1 420)	80	80	28 535	10 645	(1 740)
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	2 023	–	–
Infrastructure		*542 592*	*570 068*	*630 977*	*3 227*	*6 042*	*6 042*	*677 511*	*90 992*	*5 335*
Community Assets		69 703	69 660	70 982	11 953	13 496	13 496	62 538	(3 930)	781
Heritage Assets		550	550	550	550	550	550	550	–	–
Investment properties		47 719	47 719	47 438	45 660	45 660	45 660	43 789	(742)	(742)
Other Assets		179 951	178 426	177 438	9 866	8 149	8 149	180 777	10 072	(7 320)
Biological or Cultivated Assets					–	–	–	–	–	–
Intangible Assets		2 506	2 350	2 900	2 650	3 026	3 026	1 652	(398)	(398)
Computer Equipment		3 015	2 444	2 590	(1 750)	(1 634)	(1 634)	69	(2 581)	(1 981)
Furniture and Office Equipment		1 955	1 841	2 539	(24)	23	23	1 700	(630)	(630)
Machinery and Equipment		8 266	8 062	9 931	905 306	908 166	908 166	6 518	(1 505)	(425)
Transport Assets		18 765	21 946	19 989	1 082	4 818	4 818	(2 175)	–	800
Land		–	–	–	–	–	–	75 906	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	875 023	903 065	965 334	978 519	988 295	988 295	1 048 835	91 278	(4 579)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE OTHER ITEMS										
Depreciation	7	26 280	28 699	30 415	45 590	45 590	45 590	40 688	42 918	42 918
Repairs and Maintenance by Asset Class	3	23 001	18 886	18 336	16 442	16 324	16 324	18 282	19 454	20 350
Roads Infrastructure		6 812	6 975	6 921	6 537	6 537	6 537	6 864	7 182	7 542
Storm water Infrastructure		1 370	2 408	2 207	1 394	1 394	1 394	2 044	2 130	2 224
Electrical Infrastructure		3 757	1 090	1 297	1 458	1 807	1 807	1 931	2 059	2 129
Water Supply Infrastructure		2 170	2 471	1 457	1 209	756	756	1 270	1 329	1 395
Sanitation Infrastructure		3 236	2 005	3 371	2 035	1 942	1 942	2 151	2 255	2 367
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		*17 344*	*14 948*	*15 254*	*12 633*	*12 436*	*12 436*	*14 259*	*14 955*	*15 658*
Community Facilities		9	565	491	616	514	514	581	607	637
Sport and Recreation Facilities		397	424	360	325	312	312	400	419	440
Community Assets		*406*	*989*	*851*	*941*	*827*	*827*	*981*	*1 026*	*1 077*
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2 628	230	410	398	572	572	338	361	386
Housing		–	131	113	149	149	149	157	165	173
Other Assets		*2 628*	*361*	*523*	*548*	*722*	*722*	*495*	*526*	*559*
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		444	156	131	313	243	243	328	345	362
Furniture and Office Equipment		424	10	23	35	20	20	37	39	41
Machinery and Equipment		311	322	110	258	269	269	271	283	297
Transport Assets		1 444	2 100	1 443	1 714	1 808	1 808	1 912	2 282	2 357
Libraries		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		49 281	47 585	48 751	62 031	61 913	61 913	58 970	62 373	63 268
Renewal and upgrading of Existing Assets as % of total capex		*4.1%*	*18.4%*	*30.1%*	*51.8%*	*46.1%*	*46.1%*	*15.9%*	*65.1%*	*30.2%*
Renewal and upgrading of Existing Assets as % of deprecn		*18.2%*	*41.0%*	*85.7%*	*81.3%*	*82.3%*	*82.3%*	*34.7%*	*203.5%*	*27.0%*
R&M as a % of PPE		*2.8%*	*2.2%*	*2.0%*	*1.7%*	*1.7%*	*1.7%*	*1.8%*	*1.8%*	*1.9%*
Renewal and upgrading and R&M as a % of PPE		*3.0%*	*3.0%*	*5.0%*	*5.0%*	*5.0%*	*5.0%*	*3.0%*	*117.0%*	*-698.0%*

WC022 Witzenberg - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845
Piped water inside yard (but not in dwelling)		1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300
Flush toilet (with septic tank)		730	730	730	730	730	730	730	730	730
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		1 691	1 691	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
Energy:										
Electricity (at least min.service level)		1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769
Electricity - prepaid (min.service level)		11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264
Minimum Service Level and Above sub-total		13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
Refuse:										
Removed at least once a week		11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
Minimum Service Level and Above sub-total		11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2 746 616	1 057 347	3 450 717	4 276 162	4 276 162	4 276 162	6 265 450	6 329 586	6 386 239
Sanitation (free minimum level service)		5 215 558	5 651 744	8 747 756	–	–	–	15 161 157	16 070 827	16 874 368
Electricity/other energy (50kwh per household per month)		1 405 843	366 060	837 839	3 188 574	3 188 574	3 188 574	5 080 355	5 482 851	5 987 745
Refuse (removed at least once a week)		4 163 140	4 583 868	7 255 520	–	–	–	12 039 743	12 762 031	13 527 753
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per indigent household per month)		2 747	1 057	3 451	4 276	4 276	4 276	6 265	6 330	6 386
Sanitation (free sanitation service to indigent households)		5 216	5 652	8 748	–	–	–	15 161	16 071	16 874
Electricity/other energy (50kwh per indigent household per month)		1 406	366	838	3 189	3 189	3 189	5 080	5 483	5 988
Refuse (removed once a week for indigent households)		4 163	4 584	7 256	–	–	–	12 040	12 762	13 528
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		13 531	11 659	20 292	7 465	7 465	7 465	38 547	40 645	42 776
Highest level of free service provided per household										
Property rates (R value threshold)		100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		20	20	20	20	20	20	20	20	20
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		6 774	6 609	7 483	10 244	10 244	10 244	12 689	13 577	14 256
Water (in excess of 6 kilolitres per indigent household per month)		459	2 330	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		31	–	4 912	9 535	9 535	9 535	15 161	16 071	16 874
Electricity/other energy (in excess of 50 kwh per indigent household per month)		1 100	–	–	–	–	–	5 080	5 483	5 988
Refuse (in excess of one removal a week for indigent households)		15	–	5 067	7 572	7 572	7 572	12 040	12 762	13 528
Municipal Housing - rental rebates		–	37	85	23	23	23	24	25	27
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		8 379	8 976	17 548	27 375	27 375	27 375	44 994	47 918	50 672

WC022 Witzenberg - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		66 423	70 321	77 362	82 526	82 526	82 526	72 531	89 077	95 313	100 078
less Revenue Foregone (exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)		6 774	6 609	7 483	10 244	10 244	10 244	6 451	12 689	13 577	14 256
Net Property Rates		59 649	63 712	69 879	72 282	72 282	72 282	66 080	76 388	81 736	85 822
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		217 857	210 725	222 678	268 307	268 527	268 527	209 812	277 134	300 564	330 878
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		1 100	–	–	–	–	–	–	5 080	5 483	5 988
less Cost of Free Basic Services (50 kwh per indigent household per month)		1 406	366	838	3 189	3 189	3 189	2 345	5 080	5 483	5 988
Net Service charges - electricity revenue		215 351	210 359	221 840	265 119	265 339	265 339	207 468	266 973	289 598	318 903
Service charges - water revenue	6										
Total Service charges - water revenue		36 643	48 816	38 998	40 177	40 177	40 177	35 470	41 403	43 959	46 207
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		459	2 330	–	–	–	–	6	–	–	–
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		2 747	1 057	3 451	4 276	4 276	4 276	2 706	6 265	6 330	6 386
Net Service charges - water revenue		33 438	45 429	35 547	35 901	35 901	35 901	32 758	35 137	37 630	39 821
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		23 255	32 649	38 564	31 616	31 616	31 616	28 460	48 674	51 594	54 174
less Revenue Foregone (in excess of free sanitation service to indigent households)		31		4 912	9 535	9 535	9 535	6 452	15 161	16 071	16 874
less Cost of Free Basic Services (free sanitation service to indigent households)		5 216	5 652	8 748	–	–	–	–	15 161	16 071	16 874
Net Service charges - sanitation revenue		18 008	26 997	24 904	22 080	22 080	22 080	22 009	18 352	19 453	20 425
Service charges - refuse revenue	6										
Total refuse removal revenue		23 945	27 968	35 231	30 792	30 792	30 792	26 181	44 679	47 360	49 855
Total landfill revenue				–	633	633	633	551	671	712	747
less Revenue Foregone (in excess of one removal a week to indigent households)		15		5 067	7 572	7 572	7 572	5 496	12 040	12 762	13 528
less Cost of Free Basic Services (removed once a week to indigent households)		4 163	4 584	7 256	–	–	–	–	12 040	12 762	13 528
Net Service charges - refuse revenue		19 767	23 384	22 909	23 853	23 853	23 853	21 235	21 271	22 547	23 547
Other Revenue by source											
Fuel Levy			13 876	–	–	–	–	–	–	–	–
Other Revenue		4 849		575							
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Rent on Land		0	–	–	21	21	21	–	22	23	25
Operational Revenue		–	–	1 330	1 150	1 150	1 150	1 852	1 167	1 258	1 201
Intercompany/Parent-subsidiary Transactions		–	–	–	–	–	–	–	–	–	–
Surcharges and Taxes		–	–	4 333	4 192	4 154	4 154	1 429	5 495	5 707	3 305
Sales of Goods and Rendering of Services		–	–	4 455	4 361	4 361	4 361	4 982	2 555	4 858	5 101
Gains and Losses : Gains	3	14 115	–	–							
Total 'Other' Revenue	1	18 964	13 876	10 692	9 725	9 687	9 687	8 263	9 240	11 847	9 632

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	83 537	91 099	110 406	121 988	122 827	122 827	98 099	133 540	142 609	154 784
Pension and UIF Contributions		13 904	14 566	15 789	18 328	18 337	18 337	14 519	19 911	21 601	23 469
Medical Aid Contributions		5 953	6 752	7 362	7 927	7 927	7 927	6 721	8 613	9 359	10 169
Overtime		8 642	14 629	11 260	20	20	20	218	22	24	26
Performance Bonus		774	7 813	8 502	9 077	9 077	9 077	7 591	9 862	10 716	11 674
Motor Vehicle Allowance		4 010	4 300	5 392	5 549	5 549	5 549	5 019	6 029	6 551	7 118
Cellphone Allowance		667	523	513	476	486	486	453	517	562	611
Housing Allowances		593	1 446	1 448	1 803	1 803	1 803	1 285	1 959	2 128	2 312
Other benefits and allowances		9 681	3 476	2 963	14 655	14 655	14 655	16 742	15 882	17 245	18 725
Payments in lieu of leave		1 093	1 936	1 376	889	889	889	7 441	966	1 050	1 140
Long service awards		447	(2 702)	451	436	436	436	1 414	1 000	1 087	1 181
Post-retirement benefit obligations	4	4 031	11 576	1 040	11 376	26 376	26 376	6 057	27 880	29 470	31 469
sub-total	5	133 332	155 415	166 502	192 524	208 383	208 383	165 558	226 182	242 401	262 678
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	133 332	155 415	166 502	192 524	208 383	208 383	165 558	226 182	242 401	262 678
Contributions recognised - capital											
List contributions by contract		–	–	–	–	501	501	–	–	–	–
Total Contributions recognised - capital		–	–	–	–	501	501	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		26 143	28 699	30 415	45 234	45 234	45 234	13 944	40 310	42 520	42 520
Lease amortisation		–	–	–	356	356	356	73	377	398	398
Capital asset impairment		138	–	–	–	–	–	–	–	–	–
Depreciation resulting from revaluation of PPE	10	–	–	–	–	–	–	–	–	–	–
Total Depreciation & asset impairment	1	26 280	28 699	30 415	45 590	45 590	45 590	14 018	40 688	42 918	42 918
Bulk purchases											
Electricity Bulk Purchases		179 203	179 705	188 783	229 196	229 196	229 196	160 600	232 760	252 871	279 144
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Total bulk purchases	1	179 203	179 705	188 783	229 196	229 196	229 196	160 600	232 760	252 871	279 144
Transfers and grants											
Cash transfers and grants		941	13 920	10 019	30 962	31 179	31 179	20 660	2 179	1 859	32 976
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	941	13 920	10 019	30 962	31 179	31 179	20 660	2 179	1 859	32 976
Contracted services											
Outsourced Services		–	–	–	18 279	25 266	25 266	16 775	21 656	24 819	26 013
Consultants and Professional Services		–	–	–	18 618	20 754	20 754	12 017	20 758	20 441	21 253
Contractors		42 642	–	6 591	6 834	5 576	5 576	2 627	6 071	6 748	6 890
Alien Vegetation Control			–								
Animal Care			–								
Auctioneers			–								
Bore Waterhole Drilling			–								
Burial Services			3								
Business and Advisory			2 994	3 826							
Catering Services			975								
Cleaning Services			30								
Clearing and Grass Cutting Ser			310								
Connection/Dis-connection			297								
Drivers Licence Cards			6								
Electrical			227								
Employee Wellness			8								
Event Promoters			41								
Exhibit Installations			–								
Fire Services			1 229	95							
Forestry			172								
Gardening Services			4								
Gas			6								
Hygiene Services			713								
Illegal Dumping			12								
Infrastructure and Planning			10 484	13 885							
Laboratory Services			102								
Legal Cost			1 150	1 420							
Litter Picking and Street Clea			623								
Maintenance of Buildings and F			1 249	1 156							
Maintenance of Equipment			207								
Maintenance of Unspecified Ass			2 599	1 482							
Management of Informal Settlem			120								
Medical Services [Medical Heal			–								
Meter Management			508								
Personnel and Labour			188								
Pest Control and Fumigation			0								
Photographer			1								
Plants, Flowers and Other Deco			32								
Preservation/Restoration/Disma			–								
Removal of Hazardous Waste			0								
Removal of Structures and Ille			–								
Safeguard and Security			–								
Security Services			8 826	11 940							
Sewerage Services			219								
Stage and Sound Crew			104								
Stream Cleaning and Ditching			13								
Tracing Agents and Debt Collec			908	1 028							
Traffic and Street Lights			–								
Traffic Fines Management			1 379	549							
Translators, Scribes and Edito			19								
Transport Services			26								
Transportation			2								
Veterinary Services			315	–							
Chipping			–	–							
sub-total	1	42 642	36 101	41 971	43 731	51 596	51 596	31 419	48 486	52 008	54 155

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Allocations to organs of state:											
Electricity		–	–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total contracted services		42 642	36 101	41 971	43 731	51 596	51 596	31 419	48 486	52 008	54 155
Other Expenditure By Type											
Collection costs		–	–	–	1 900	1 900	1 900	1 534	1 995	2 087	2 191
Contributions to 'other' provisions		–	–	–	14	14	14	28 155	15	15	16
Audit fees		–	–	–	2 933	3 469	3 469	3 345	3 626	3 792	3 967
General expenses	3	–	–	–							
Operating Leases		–		–	812	812	812	617	849	888	929
Operational Cost		–	–	–	35 529	34 845	34 845	23 895	40 286	40 252	41 765
Statutory Payments other than Income Taxes		–	–	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–	–
Bad Debts Written Off			–	6							
Contracted Services			–	–							
Discontinued Operations			–	–							
Employee Related Cost			–	–							
Inventory Consumed			–	–							
Operating Leases			856	780							
Operational Cost			67 394	35 070							
Wet Fuel		5 666									
Transport Assets		–									
Travel and Subsistence		–									
Commission		1 696									
Professional Bodies, Membershi		1 359									
Uniform and Protective Clothin		833									
Skills Development Fund Levy		–									
Insurance Underwriting		–									
Vehicle Tracking		–									
Workmen's Compensation Fund		–									
Remuneration to Ward Committee		347									
Advertising, Publicity and Mar		327									
Learnerships and Internships		–									
Levies Paid - Water Resource M		–									
Signage		–									
Indigent Relief		–									
Investment Properties		–									
Bank Charges, Facility and Car		–									
Printing, Publications and Boo		1 565									
Licences		93									
Transport Provided as Part of		–									
Servitudes and Land Surveys		–									
Entertainment		61									
Resettlement Cost		–									
Land		–									
Registration Fees		–									
Courier and Delivery Services		–									
Cleaning Services		–									
Full Time Union Representative		182									
Rewards Incentives		–									
Office Decorations		–									
Road Worthy Test		–									
Deeds		52									
Municipal Services		–									
Achievements and Awards		–									
Search Fees		–									
Entrance Fees		–									
Travel Agency and Visa's		–									
Toll Gate Fees		–									
Fines and Penalties		–									
Electricity Compliance Certifi		–									
Remuneration to Section 79 Com		–									
Firearm Handling Fees		–									
Honoraria (Voluntarily Workers		–									
Cash Discount		–									
Storage of Files (Archiving)		–									
Environmental Levy		–									
Warrantees and Guarantees		–									
Cost relating to the Sale of H		–									
Small Differences Tolerances		–									
Contribution to Provisions		–									
Discontinued Operations		–		–							
Rest of Other Expenditure		54 285									
Gains and Losses		–		(22 869)							
Total 'Other' Expenditure	1	66 465	68 250	12 988	41 188	41 041	41 041	57 547	46 770	47 035	48 867
by Expenditure Item	8										
Employee related costs			1 368	1 451	814	814	814	165 558	1 171	1 213	1 258
Other materials			5 007	4 107	3 801	3 587	3 587	11 906	4 450	4 672	4 908
Contracted Services			10 830	11 298	10 500	10 595	10 595	31 419	11 267	12 111	12 653
Other Expenditure		23 001	1 682	1 479	1 328	1 328	1 328	261 050	1 394	1 458	1 531
Total Repairs and Maintenance Expenditure	9	23 001	18 886	18 336	16 442	16 324	16 324	469 932	18 282	19 454	20 350

WC022 Witzenberg - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Financial Services	Vote 2 - Community Services	Vote 3 - Community Services	Vote 4 - Community Services	Vote 5 - Corporate Services	Vote 6 - Technical Services	Vote 7 - Technical Services	Vote 8 - Muncipal Manager	Total
R thousand	1									
Revenue By Source										
Property rates		76 388	–	–	–	–	–	–	–	76 388
Service charges - electricity revenue		329	–	–	–	–	266 644	–	–	266 973
Service charges - water revenue		–	–	–	–	–	–	35 137	–	35 137
Service charges - sanitation revenue		–	–	–	–	–	18 352	–	–	18 352
Service charges - refuse revenue		–	–	–	–	–	–	21 271	–	21 271
Rental of facilities and equipment		–	1 279	310	162	–	–	–	912	2 663
Interest earned - external investments		9 129	–	–	–	–	–	–	–	9 129
Interest earned - outstanding debtors		1 919	139	–	–	–	2 040	4 166	–	8 264
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1 274	18	19 152	–	4	7	–	–	20 456
Licences and permits		4	–	2 001	–	4	–	–	–	2 010
Agency services		–	–	–	3 854	–	–	–	–	3 854
Other revenue		6 083	506	146	19	557	1 915	14	–	9 240
Transfers and subsidies		1 951	10 002	104 406	–	–	–	–	630	116 989
Gains		(0)	–	–	–	–	–	–	–	(0)
Total Revenue (excluding capital transfers and contributions)		97 078	11 944	126 015	4 035	566	288 958	60 587	1 542	590 725
Expenditure By Type										
Employee related costs		28 811	31 945	26 332	14 657	45 174	40 256	29 600	9 408	226 182
Remuneration of councillors		–	–	–	–	12 032	–	–	–	12 032
Debt impairment		3 819	–	15 138	–	–	9 560	16 171	–	44 688
Depreciation & asset impairment		396	2 197	3 193	1 909	3 909	18 829	10 209	46	40 688
Finance charges		20	54	27	15	250	691	8 098	27	9 181
Bulk purchases		6	–	7	–	23	232 451	274	–	232 760
Other materials		794	1 359	972	730	654	9 893	4 910	217	19 528
Contracted services		2 538	4 618	3 294	1 557	8 171	18 359	5 679	4 269	48 486
Transfers and subsidies		401	–	–	–	1 216	–	–	562	2 179
Other expenditure		16 121	2 255	2 877	585	9 809	4 891	9 074	1 157	46 770
Losses		0	–	–	–	–	–	–	–	0
Total Expenditure		52 907	42 428	51 839	19 452	81 238	334 930	84 015	15 685	682 493
Surplus/(Deficit)		44 171	(30 484)	74 176	(15 417)	(80 672)	(45 972)	(23 428)	(14 143)	(91 768)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	870	–	41 594	36 252	–	78 716
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		44 171	(30 484)	74 176	(14 548)	(80 672)	(4 378)	12 825	(14 143)	(13 052)

WC022 Witzenberg - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Call investment deposits											
Call deposits		–	–	–	–	–	–	–	–	–	–
Other current investments		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	–	–	–	–	–	–	–	–	–	–
Consumer debtors											
Consumer debtors		241 721	152 613	183 187	52 523	31 805	31 805	31 805	38 038	36 259	32 962
Less: Provision for debt impairment		(183 834)	(101 389)	(131 576)	–	–	–	–	–	–	–
Total Consumer debtors	2	57 887	51 223	51 611	52 523	31 805	31 805	31 805	38 038	36 259	32 962
Debt impairment provision											
Balance at the beginning of the year		(145 257)	(184 810)	–	–	–	–	–		–	–
Contributions to the provision		(39 568)	77 650	(18 659)	–	–	–	–	–	–	–
Bad debts written off		14		(7)	–	–	–	–	–	–	–
Balance at end of year		(184 810)	(107 160)	(18 666)	–	–	–	–	–	–	–
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		982 610	1 042 727	1 180 172	944 286	954 062	954 062	954 062	1 002 139	1 093 416	1 088 838
Leases recognised as PPE	3			–	–	–	–	–	–	–	–
Less: Accumulated depreciation		174 551	199 485	261 909	–	–	–	–	–	–	–
Total Property, plant and equipment (PPE)	2	808 059	843 242	918 262	944 286	954 062	954 062	954 062	1 002 139	1 093 416	1 088 838
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–		–	–	–	–	–	–	–	–
Current portion of long-term liabilities		3 717	2 276	1 518	–	–	–	–	–	–	–
Total Current liabilities - Borrowing		3 717	2 276	1 518	–	–	–	–	–	–	–
Trade and other payables											
Trade Payables		44 015	46 754	48 189	60 983	60 983	60 983	60 983	47 310	30 007	15 534
Other Creditors				–							
Unspent conditional transfers		4 665	5 750	12 794							
VAT		–	–	–							
Total Trade and other payables	2	48 681	52 504	60 983	60 983	60 983	60 983	60 983	47 310	30 007	15 534
Non current liabilities - Borrowing											
Borrowing	4	7 503	5 192	4 704	6 222	6 222	6 222	6 222	4 722	3 222	1 722
Finance leases (including PPP asset element)		–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Borrowing		7 503	5 192	4 704	6 222	6 222	6 222	6 222	4 722	3 222	1 722
Provisions - non-current											
Retirement benefits		75 386	81 258	64 340	158 286	158 286	158 286	158 286	180 655	206 065	228 567
List other major provision items											
Refuse landfill site rehabilitation		70 249	71 467	86 471							
Other		–	–	–							
Total Provisions - non-current		145 635	152 724	150 812	158 286	158 286	158 286	158 286	180 655	206 065	228 567

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		692 242	788 751	–	891 685	870 375	870 375	870 375	844 803	831 751	864 894
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		692 242	788 751	–	891 685	870 375	870 375	870 375	844 803	831 751	864 894
Surplus/(Deficit)		97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Transfers to/from Reserves		(807)	–	14 298	–	–	–	–	–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments		–	–	–	–	–	–	–	–	–	–
Accumulated Surplus/(Deficit)	1	788 751	836 943	70 827	897 808	844 803	844 803	890 953	831 751	864 894	798 150
Reserves											
Housing Development Fund		–	–	–	–	–	–	–	–	–	–
Capital replacement		10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves											
Compensation for Occupational Injuries and Diseases		–	–	–	–	–	–	–	–	–	–
Employee Benefit Reserve		–	–	–	–	–	–	–	–	–	–
Non-current Provisions Reserve		–	–	–	–	–	–	–	–	–	–
Valuation Reserve		–	–	–	–	–	–	–	–	–	–
Investment in associate account		–	–	–	–	–	–	–	–	–	–
Capitalisation Reserve		–	–	–	–	–	–	–	–	–	–
Equity		–	–	–	–	–	–	–	–	–	–
Non-Controlling Interest		–	–	–	–	–	–	–	–	–	–
Share Premium		–	–	–	–	–	–	–	–	–	–
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	2	799 106	847 297	81 182	908 163	855 158	855 158	901 307	842 106	875 249	808 505

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											

WC022 Witzenberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure			369 590	351 012	366 798	383 173	384 647	384 647	425 654	495 910	431 908
Essential Services	1.2 Provide for the needs of informal settlements through improved services			–	–	–	–	–	–	–	–	–
Governance	2.1 Support Institutional Transformation & Development			41 905	1 759	2 228	4 684	4 684	4 684	3 845	4 026	4 215
Governance	2.2 Ensure financial viability.			79 235	83 282	86 082	91 210	91 172	91 172	97 078	102 909	104 299
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures			–	–	20	4	104	104	–	–	–
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.			33 338	115 053	123 487	151 440	151 426	151 426	141 766	158 599	176 536
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy			86 177	13 006	9 049	30 043	30 043	30 043	1 098	1 155	32 237
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.			–	295	388	250	1 715	1 715	–	–	–
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	610 245	564 409	588 051	660 803	663 791	663 791	669 441	762 599	749 194

WC022 Witzenberg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure			308 152	315 095	348 699	388 786	397 403	397 403	411 249	445 420	482 315
Essential Services	1.2 Provide for the needs of informal settlements through improved services			–	–	–	–		–	–	–	–
Governance	2.1 Support Institutional Transformation & Development			93 382	61 684	41 713	75 465	98 175	98 175	105 014	110 243	117 568
Governance	2.2 Ensure financial viability.			30 183	27 219	34 049	47 140	51 525	51 525	50 998	52 822	56 305
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures			1 926	5 202	5 426	6 341	6 373	6 373	3 263	3 490	3 739
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.			45 000	88 628	87 111	99 819	99 704	99 704	103 948	108 882	115 766
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy			32 461	16 468	12 954	34 902	34 012	34 012	5 807	6 218	37 690
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.			1 825	1 921	1 570	2 227	2 172	2 172	2 215	2 380	2 554
Allocations to other priorities												
Total Expenditure			1	512 929	516 217	531 521	654 680	689 363	689 363	682 494	729 456	815 938

WC022 Witzenberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	A		110 993	56 297	80 938	48 269	54 483	54 483	86 194	134 058	32 011
Essential Services	1.2 Provide for the needs of informal settlements through improved services	B		–	–	–	–	–	–	–	–	–
Governance	2.1 Support Institutional Transformation & Development	C		268	678	959	3 196	4 518	4 518	1 050	–	600
Governance	2.2 Ensure financial viability.	D		548	322	675	80	80	80	–	–	–
Governance	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures	E		–	661	148	300	240	240	–	–	–
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.	F		3 432	5 518	3 446	19 767	20 492	20 492	1 520	137	5 729
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	G		–	359	–	–	–	–	–	–	–
Socio-Economic Support Services	4.2 Create an enabling environment to attract investment & support local economy.	H		–	20	491	0	1 577	1 577	–	–	–
Allocations to other priorities			3									
Total Capital Expenditure			1	115 242	63 855	86 657	71 613	81 390	81 390	88 764	134 196	38 340

WC022 Witzenberg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Essential Services										
Sustainable provision & maintenance of basic										
% Expenditure on Operational Budget by		99%	99%	99%	99%	99%	99%	99%	99%	99%
Insert measure/s description										
% Expenditure on Capital Budget by		98%	98%	98%	98%	98%	98%	98%	98%	98%
Insert measure/s description										
Percentage compliance with drinking water		100%	100%	100%	100%	100%	100%	100%	100%	100%
Insert measure/s description										
Number of outstanding valid applications for		0%	0%	0%	0%	0%	0%	0%	0%	0%
Insert measure/s description										
Number of outstanding valid applications for		0%	0%	0%	0%	0%	0%	0%	0%	0%
Insert measure/s description										
Number of outstanding valid applications for		0%	0%	0%	0%	0%	0%	0%	0%	0%
Insert measure/s description										
Number of outstanding valid applications for		0%	0%	0%	0%	0%	0%	0%	0%	0%
Insert measure/s description										
Decrease unaccounted water losses.		19%	19%	19%	19%	19%	19%	19%	19%	19%
Insert measure/s description										
Decrease unaccounted electricity losses.		10%	10%	10%	10%	10%	10%	10%	10%	10%
Insert measure/s description										
Percentage compliance with drinking water		10	11	11	11	11	11	11	11	11
Insert measure/s description										
Provide for the needs of informal settlements										
Number of subsidised serviced sites										
Insert measure/s description										
Provide basic services - number of informal		3	3	3	3	3	3	3	3	3
Insert measure/s description										

Provide basic services - number of informal *Insert measure/s description*		3	3	3	3	3	3	3	3	3
Improve basic services - number of informal *Insert measure/s description*		3	3	3	3	3	3	3	3	3
Number of subsidised electricity *Insert measure/s description*		94	94	94	94	94	94	94	94	94
Governance										
Support Institutional Transformation &										
Percentage budget spent on implementation *Insert measure/s description*		98%	98%	98%	98%	98%	98%	98%	98%	98%
Percentage of people from employment *Insert measure/s description*		75%	75%	75%	75%	75%	75%	75%	75%	75%
Ensure financial viability.										
Financial viability expressed as Debt- *Insert measure/s description*		40	40	40	40	40	40	40	40	40
Financial viability expressed as Cost- *Insert measure/s description*		2	2	2	2	2	2	2	2	2
Financial viability expressed outstanding *Insert measure/s description*		54%	54%	54%	54%	54%	54%	54%	54%	54%
Opinion of the Auditor-General on annual *Insert measure/s description*		Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
Increased revenue collection *Insert measure/s description*		95%	95%	95%	95%	95%	95%	95%	95%	95%
Percentage of budget spent on repairs & *Insert measure/s description*		99%	99%	99%	99%	99%	99%	99%	99%	99%
Percentage spend of capital budget. *Insert measure/s description*		97%	97%	97%	97%	97%	97%	97%	97%	97%
To maintain and strengthen relations with										
Number of IDP community meetings held.		14	14	14	14	14	14	14	14	14
Number of meetings with inter-governmental *Insert measure/s description*		12	12	12	12	12	12	12	12	12

Communal Services										
Provide & maintain facilities that make citizens										
Customer satisfaction survey (Score 1-5) -		2	2	2	2	2	2	2	2	2
Insert measure/s description										
% Expenditure on Operational Budget by		100%	100%	100%	100%	100%	100%	100%	100%	100%
Insert measure/s description										
% Expenditure on Capital Budget by		96%	96%	96%	96%	96%	96%	96%	96%	96%
Insert measure/s description										
Socio-Economic Support Services										
Support the poor & vulnerable through										
Number of account holders subsidised		2521	2521	2521	2521	2521	2521	2521	2521	2521
Insert measure/s description										
Number of jobs created through		398	398	398	398	398	398	398	398	398
Insert measure/s description										
Number of social development programmes		22	22	22	22	22	22	22	22	22
Insert measure/s description										
Number of housing opportunities provided		200	200	200	200	200	200	200	200	200
Insert measure/s description										
Number of Rental Stock transferred		65	65	65	65	65	65	65	65	65
Insert measure/s description										
Create an enabling environment to attract										
Revisit Municipal Land Audit and draw up an		Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2	Phase 2
Insert measure/s description										
Compile & Imlementation of LED Strategy		Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

WC022 Witzenberg - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	5.1%	2.1%	3.4%	1.4%	1.3%	1.3%	0.1%	1.6%	1.5%	1.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	6.3%	2.5%	4.3%	1.8%	1.8%	1.8%	0.1%	2.3%	2.2%	2.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	72.5%	50.1%	45.4%	60.1%	60.1%	60.1%	60.1%	45.6%	31.1%	16.6%
Liquidity											
Current Ratio	Current assets/current liabilities	2.1	2.2	2.0	1.8	1.2	1.2	1.2	0.8	0.6	0.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.1	2.2	2.0	1.8	1.2	1.2	1.2	0.8	0.6	0.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	1.2	1.0	0.9	0.6	0.6	0.6	0.3	0.2	0.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		107.6%	100.6%	99.0%	97.5%	97.5%	97.5%	117.0%	92.9%	95.6%	95.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	12.6%	13.6%	14.5%	12.7%	9.3%	9.3%	11.7%	9.9%	7.1%	4.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))	100.0%	100.0%	100.0%							
Creditors to Cash and Investments		57.7%	47.9%	51.1%	65.3%	92.0%	92.0%	92.0%	123.0%	104.1%	86.8%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	20 636									
	Total Cost of Losses (Rand '000)	17 967									
	% Volume (units purchased and generated less units sold)/units purchased and generated	10%									
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 260									
	Total Cost of Losses (Rand '000)	488									
	% Volume (units purchased and generated less units sold)/units purchased and generated	19%									
Employee costs	Employee costs/(Total Revenue - capital revenue)	25.8%	29.3%	31.1%	31.2%	33.7%	33.7%	33.8%	38.3%	37.7%	36.4%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	27.4%	31.1%	34.1%	33.1%	35.6%	35.6%		40.3%	39.7%	38.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.5%	3.6%	3.4%	2.7%	2.6%	2.6%		3.1%	3.0%	2.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8.5%	7.1%	8.6%	8.8%	8.8%	8.8%	2.9%	8.4%	8.2%	7.4%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	48.1	31.0	38.9	43.2	43.2	43.2	20.2	24.0	26.2	28.1
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	18.4%	19.2%	20.4%	18.3%	13.4%	13.4%	16.2%	13.9%	10.0%	6.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.1	2.7	2.3	2.0	1.3	1.3	1.9	0.8	0.5	0.3

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

Calculation data

Debtors > 90 days										
Monthly fixed operational expenditure	36 510	36 274	40 222	47 819	50 661	50 661	34 520	50 044	53 713	60 779
Fixed operational expenditure % assumption	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Own capex	22 558	25 283	32 479	25 935	35 062	35 062	(9)	10 048	13 737	10 173
Borrowing	–	–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Demographics												
Population			–	–	–	116	116	116	116	116	116	116
Females aged 5 - 14			–	–	–	–	–	–	–	–	–	–
Males aged 5 - 14			–	–	–	–	–	–	–	–	–	–
Females aged 15 - 34			–	–	–	21	21	21	21	21	21	21
Males aged 15 - 34			–	–	–	24	24	24	24	24	24	24
Unemployment			–	–	–	3	3	3	3	3	3	3
Monthly household income (no. of households)	1, 12											
No income			–	–	–	1 757	1 757	1 757	1 757	1 757	1 757	1 757
R1 - R1 600			–	–	–	6 703	6 703	6 703	6 703	6 703	6 703	6 703
R1 601 - R3 200			–	–	–	7 079	7 079	7 079	7 079	7 079	7 079	7 079
R3 201 - R6 400			–	–	–	5 723	5 723	5 723	5 723	5 723	5 723	5 723
R6 401 - R12 800			–	–	–	2 863	2 863	2 863	2 863	2 863	2 863	2 863
R12 801 - R25 600			–	–	–	1 851	1 851	1 851	1 851	1 851	1 851	1 851
R25 601 - R51 200			–	–	–	1 064	1 064	1 064	1 064	1 064	1 064	1 064
R52 201 - R102 400			–	–	–	253	253	253	253	253	253	253
R102 401 - R204 800			–	–	–	77	77	77	77	77	77	77
R204 801 - R409 600			–	–	–	49	49	49	49	49	49	49
R409 601 - R819 200			–	–	–	–	–	–	–	–	–	–
> R819 200			–	–	–	–	–	–	–	–	–	–
Poverty profiles (no. of households)												
< R2 060 per household per month	13		–	–	–	8 460	8 460	8 460	8 460	8 460	8 460	8 460
	2		–	–	–	15 539	15 539	15 539	15 539	15 539	15 539	15 539
Household/demographics (000)												
Number of people in municipal area			–	–	–	116	116	116	116	116	116	116
Number of poor people in municipal area			–	–	–	90	90	90	90	90	90	90
Number of households in municipal area			–	–	–	27	27	27	27	27	27	27
Number of poor households in municipal area			–	–	–	21	21	21	21	21	21	21
Definition of poor household (R per month)			–	–	–	>R6400	>R6400	>R6400	>R6400	>R6400	>R6400	>R6400
Housing statistics	3											
Formal			–	–	–	23 642	23 642	23 642	23 642	23 642	23 642	23 642
Informal			–	–	–	3 778	3 778	3 778	3 778	3 778	3 778	3 778
Total number of households			-	-	-	27 420	27 420	27 420	27 420	27 420	27 420	27 420
Dwellings provided by municipality	4		–	–	–	-	-	-	-	-	-	-
Dwellings provided by province/s			–	–	–	-	-	-	-	-	-	-
Dwellings provided by private sector	5		–	–	–	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic	6											
Inflation/inflation outlook (CPIX)						5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Interest rate - borrowing						9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Interest rate - investment						5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Remuneration increases						6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Consumption growth (electricity)						2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Consumption growth (water)						2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Collection rates	7											
Property tax/service charges						98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%
Rental of facilities & equipment						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%
Revenue from agency services						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845
		Piped water inside yard (but not in dwelling)	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300
		Flush toilet (with septic tank)	730	730	730	730	730	730	730	730	730
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	1 691	1 691	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Energy:									
		Electricity (at least min.service level)	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769
		Electricity - prepaid (min.service level)	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264
		Minimum Service Level and Above sub-total	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Refuse:									
		Removed at least once a week	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		Minimum Service Level and Above sub-total	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067

Municipal in-house services	Ref.		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Household service targets (000)									
		Water:									
		Piped water inside dwelling	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845	10 845
		Piped water inside yard (but not in dwelling)	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691	1 691
	8	Using public tap (at least min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (at least min.service level)	–	–	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
	9	Using public tap (< min.service level)	–	–	–	–	–	–	–	–	–
	10	Other water supply (< min.service level)	–	–	–	–	–	–	–	–	–
		No water supply	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536	12 536
		Sanitation/sewerage:									
		Flush toilet (connected to sewerage)	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300	10 300
		Flush toilet (with septic tank)	730	730	730	730	730	730	730	730	730
		Chemical toilet	–	–	–	–	–	–	–	–	–
		Pit toilet (ventilated)	–	–	–	–	–	–	–	–	–
		Other toilet provisions (> min.service level)	1 691	1 691	–	–	–	–	–	–	–
		Minimum Service Level and Above sub-total	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Bucket toilet	–	–	–	–	–	–	–	–	–
		Other toilet provisions (< min.service level)	–	–	–	–	–	–	–	–	–
		No toilet provisions	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	12 721	12 721	11 030	11 030	11 030	11 030	11 030	11 030	11 030
		Energy:									
		Electricity (at least min.service level)	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769
		Electricity - prepaid (min.service level)	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264	11 264
		Minimum Service Level and Above sub-total	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Electricity (< min.service level)	–	–	–	–	–	–	–	–	–
		Electricity - prepaid (< min. service level)	–	–	–	–	–	–	–	–	–
		Other energy sources	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033	13 033
		Refuse:									
		Removed at least once a week	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		Minimum Service Level and Above sub-total	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067
		Removed less frequently than once a week	–	–	–	–	–	–	–	–	–
		Using communal refuse dump	–	–	–	–	–	–	–	–	–
		Using own refuse dump	–	–	–	–	–	–	–	–	–
		Other rubbish disposal	–	–	–	–	–	–	–	–	–
		No rubbish disposal	–	–	–	–	–	–	–	–	–
		Below Minimum Service Level sub-total	–	–	–	–	–	–	–	–	–
		Total number of households	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067	11 067

Detail of Free Basic Services (FBS) provided			2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Electricity	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (50 kwh per indigent household per month Rands)	1 405 843	366 060	837 839	3 188 574	3 188 574	3 188 574	5 080 355	5 482 851	5 987 745
		Number of HH receiving this type of FBS	2 565	2 317	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Electricity for informal settlements	–	–	–	–	–	–	–	–	–
Water	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (6 kilolitre per indigent household per month Rands)	2 746 616	1 057 347	3 450 717	4 276 162	4 276 162	4 276 162	6 265 450	6 329 586	6 386 239
		Number of HH receiving this type of FBS	2 565	2 317	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Water for informal settlements	–	–	–	–	–	–	–	–	–
Sanitation	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (free sanitation service to indigent households)	5 215 558	5 651 744	8 747 756	–	–	–	15 161 157	16 070 827	16 874 368
		Number of HH receiving this type of FBS	2 565	2 317	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Sanitation for informal settlements	–	–	–	–	–	–	–	–	–
Refuse Removal	Ref.	*Location of households for each type of FBS*									
List type of FBS service		Formal settlements - (removed once a week to indigent households)	4 163 140	4 583 868	7 255 520	–	–	–	12 039 743	12 762 031	13 527 753
		Number of HH receiving this type of FBS	2 565	2 317	–	–	–	–	–	–	–
		Informal settlements (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Informal settlements targeted for upgrading (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Living in informal backyard rental agreement (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Other (Rands)	–	–	–	–	–	–	–	–	–
		Number of HH receiving this type of FBS	–	–	–	–	–	–	–	–	–
		Total cost of FBS - Refuse Removal for informal settlements	–	–	–	–	–	–	–	–	–

WC022 Witzenberg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	76 333	97 506	94 272	93 351	66 287	66 287	66 287	38 463	28 822	17 890
Cash + investments at the yr end less applications - R'000	18(1)b	2	91 016	117 805	83 504	104 343	58 019	58 019	42 945	42 946	40 717	31 842
Cash year end/monthly employee/supplier payments	18(1)b	3	2.1	2.7	2.3	2.0	1.3	1.3	1.9	0.8	0.5	0.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	97 316	48 192	56 530	6 123	(25 572)	(25 572)	20 577	(13 052)	33 143	(66 744)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	0.8%	(4.6%)	5.8%	(5.9%)	(6.0%)	(22.7%)	(6.3%)	1.9%	2.3%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	104.2%	101.0%	88.6%	92.3%	92.0%	92.0%	114.8%	88.3%	91.4%	91.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	10.9%	0.3%	11.0%	8.0%	10.4%	10.4%	0.0%	10.7%	10.6%	10.3%
Capital payments % of capital expenditure	18(1)c;19	8	100.4%	99.9%	100.0%	100.0%	100.0%	100.0%	12745.1%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	10.7%	7.8%	0.4%	(26.6%)	0.0%	0.0%	2.4%	(21.8%)	(29.7%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	2.8%	2.2%	2.0%	1.7%	1.7%	1.7%	1.9%	1.8%	1.8%	1.9%
Asset renewal % of capital budget	20(1)(vi)	14	4.3%	16.9%	18.3%	16.6%	15.7%	15.7%	0.0%	5.5%	0.0%	13.0%

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Supporting indicators												
% incr *total service charges (incl prop rates)*	18(1)a			6.8%	1.4%	11.8%	0.1%	0.0%	(16.7%)	(0.3%)	7.9%	8.3%
% incr Property Tax	18(1)a			6.8%	9.7%	3.4%	0.0%	0.0%	(8.6%)	5.7%	7.0%	5.0%
% incr Service charges - electricity revenue	18(1)a			(2.3%)	5.5%	19.5%	0.1%	0.0%	(21.8%)	0.6%	8.5%	10.1%
% incr Service charges - water revenue	18(1)a			35.9%	(21.8%)	1.0%	0.0%	0.0%	(8.8%)	(2.1%)	7.1%	5.8%
% incr Service charges - sanitation revenue	18(1)a			49.9%	(7.8%)	(11.3%)	0.0%	0.0%	(0.3%)	(16.9%)	6.0%	5.0%
% incr Service charges - refuse revenue	18(1)a			18.3%	(2.0%)	4.1%	0.0%	0.0%	(11.0%)	(10.8%)	6.0%	4.4%
% incr in Service charges - other	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		346 213	369 881	375 079	419 235	419 455	419 455	349 549	418 121	450 963	488 518
Service charges			346 213	369 881	375 079	419 235	419 455	419 455	349 549	418 121	450 963	488 518
Property rates			59 649	63 712	69 879	72 282	72 282	72 282	66 080	76 388	81 736	85 822
Service charges - electricity revenue			215 351	210 359	221 840	265 119	265 339	265 339	207 468	266 973	289 598	318 903
Service charges - water revenue			33 438	45 429	35 547	35 901	35 901	35 901	32 758	35 137	37 630	39 821
Service charges - sanitation revenue			18 008	26 997	24 904	22 080	22 080	22 080	22 009	18 352	19 453	20 425
Service charges - refuse removal			19 767	23 384	22 909	23 853	23 853	23 853	21 235	21 271	22 547	23 547
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			8 177	5 990	5 441	7 567	7 567	7 567	4 115	2 663	8 342	8 759
Capital expenditure excluding capital grant funding			22 558	25 283	32 479	25 935	35 062	35 062	(9)	10 048	13 737	10 173
Cash receipts from ratepayers	18(1)a		423 251	431 639	372 352	433 197	432 197	432 197	432 197	410 284	463 937	499 149
Ratepayer & Other revenue	18(1)a		406 362	427 543	420 121	469 464	469 646	469 646	376 372	464 607	507 466	545 039
Change in consumer debtors (current and non-current)			7 647	6 998	5 597	307	(20 411)	(20 411)	(20 411)	(19 347)	(12 818)	(13 637)
Operating and Capital Grant Revenue	18(1)a		140 197	128 744	159 379	182 645	184 949	184 949	108 837	195 705	245 548	195 067
Capital expenditure - total	20(1)(vi)		115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340
Capital expenditure - renewal	20(1)(vi)		4 924	10 816	15 824	11 900	12 753	12 753		4 900	–	5 000
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										106 455	114 256	124 609
DoRA capital grants total MFY										35 763	40 614	25 237
Provincial operating grants										10 534	10 833	42 291
Provincial capital grants										42 954	79 845	2 930
District Municipality grants										–	–	–
Total gazetted/advised national, provincial and district grants										195 705	245 548	195 067
Average annual collection rate (arrears inclusive)												

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
DoRA operating												
Operational Revenue:General Revenue:Equitable Share										101 915	112 056	122 389
Operational:Revenue:General Revenue:Fuel Levy										–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]										–	–	–
Agriculture Research and Technology										–	–	–
Agriculture, Conservation and Environmental										–	–	–
Arts and Culture Sustainable Resource Management										–	–	–
Community Library										–	–	–
Department of Environmental Affairs										–	–	–
Department of Tourism										–	–	–
Department of Water Affairs and Sanitation Masibambane										–	–	–
Emergency Medical Service										–	–	–
Energy Efficiency and Demand-side [Schedule 5B]										–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										2 360	–	–
HIV and Aids										–	–	–
Housing Accreditation										–	–	–
Housing Top structure										–	–	–
Infrastructure Skills Development Grant [Schedule 5B]										–	–	–
Integrated City Development Grant										–	–	–
Khayelitsha Urban Renewal										–	–	–
Local Government Financial Management Grant [Schedule 5B]										1 550	1 550	1 550
Mitchell's Plain Urban Renewal										–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]										–	–	–
Municipal Disaster Grant [Schedule 5B]										–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]										–	–	–
Municipal Systems Improvement Grant										–	–	–
Natural Resource Management Project										–	–	–
Neighbourhood Development Partnership Grant										–	–	–
Operation Clean Audit										–	–	–
Municipal Disaster Recovery Grant										–	–	–
Public Service Improvement Facility										–	–	–
Public Transport Network Operations Grant [Schedule 5B]										–	–	–
Restructuring - Seed Funding										–	–	–
Revenue Enhancement Grant Debtors Book										–	–	–
Rural Road Asset Management Systems Grant										–	–	–
Sport and Recreation										–	–	–
Terrestrial Invasive Alien Plants										–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]										–	–	–
Health Hygiene in Informal Settlements										–	–	–
Municipal Infrastructure Grant [Schedule 5B]										630	650	670
Water Services Infrastructure Grant										–	–	–
Public Transport Network Grant [Schedule 5B]										–	–	–
Smart Connect Grant										–	–	–
Urban Settlement Development Grant										–	–	–
WiFi Grant [Department of Telecommunications and Postal Services										–	–	–
Street Lighting										–	–	–
Traditional Leaders - Imbizion										–	–	–
Department of Water and Sanitation Smart Living Handbook										–	–	–
Integrated National Electrification Programme Grant										–	–	–
Municipal Restructuring Grant										–	–	–
Regional Bulk Infrastructure Grant										–	–	–
Municipal Emergency Housing Grant										–	–	–
Metro Informal Settlements Partnership Grant										–	–	–
										106 455	114 256	124 609

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
DoRA Capital												
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]										–	3 000	4 000
Municipal Infrastructure Grant [Schedule 5B]										18 831	20 223	21 237
Municipal Water Infrastructure Grant [Schedule 5B]										–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]										–	–	–
Public Transport Infrastructure Grant [Schedule 5B]										–	–	–
Rural Household Infrastructure Grant [Schedule 5B]										–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]										–	–	–
Urban Settlement Development Grant [Schedule 4B]										–	–	–
Municipal Human Settlement										–	–	–
Community Library										–	–	–
Integrated City Development Grant [Schedule 4B]										–	–	–
Municipal Disaster Recovery Grant										–	–	–
Energy Efficiency and Demand Side Management Grant										–	–	–
Khayelitsha Urban Renewal										–	–	–
Local Government Financial Management Grant [Schedule 5B]										–	–	–
Municipal Systems Improvement Grant [Schedule 5B]										–	–	–
Public Transport Network Grant [Schedule 5B]										–	–	–
Public Transport Network Operations Grant [Schedule 5B]										–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)										16 931	17 391	–
Water Services Infrastructure Grant [Schedule 5B]										–	–	–
WIFI Connectivity										–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]										–	–	–
Aquaponic Project										–	–	–
Restition Settlement										–	–	–
Infrastructure Skills Development Grant [Schedule 5B]										–	–	–
Restructuring Seed Funding										–	–	–
Municipal Disaster Relief Grant										–	–	–
Municipal Emergency Housing Grant										–	–	–
Metro Informal Settlements Partnership Grant										–	–	–
Integrated Urban Development Grant										–	–	–
										35 763	40 614	25 237

Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Trend												
Change in consumer debtors (current and non-current)			7 647	6 998	5 597	307	(20 411)	(20 411)	(20 411)	(19 347)	(12 818)	(13 637)
Total Operating Revenue			516 534	529 928	535 031	616 625	617 464	617 464	490 508	590 725	642 140	721 028
Total Operating Expenditure			512 929	516 217	532 678	654 680	689 363	689 363	469 932	682 493	729 455	815 938
Operating Performance Surplus/(Deficit)			3 605	13 711	2 352	(38 055)	(71 900)	(71 900)	20 577	(91 768)	(87 315)	(94 910)
Cash and Cash Equivalents (30 June 2012)										38 463	28 822	17 890
Revenue												
% Increase in Total Operating Revenue				2.6%	1.0%	15.3%	0.1%	0.0%	(20.6%)	(4.3%)	8.7%	12.3%
% Increase in Property Rates Revenue				6.8%	9.7%	3.4%	0.0%	0.0%	(8.6%)	5.7%	7.0%	5.0%
% Increase in Electricity Revenue				(2.3%)	5.5%	19.5%	0.1%	0.0%	(21.8%)	0.6%	8.5%	10.1%
% Increase in Property Rates & Services Charges				6.8%	1.4%	11.8%	0.1%	0.0%	(16.7%)	(0.3%)	7.9%	8.3%
Expenditure												
% Increase in Total Operating Expenditure				0.6%	3.2%	22.9%	5.3%	0.0%	(31.8%)	(1.0%)	6.9%	11.9%
% Increase in Employee Costs				16.6%	7.1%	15.6%	8.2%	0.0%	(20.6%)	8.5%	7.2%	8.4%
% Increase in Electricity Bulk Purchases				0.3%	5.1%	21.4%	0.0%	0.0%	(29.9%)	1.6%	8.6%	10.4%
Average Cost Per Budgeted Employee Position (Remuneration)					260159.5262	300819.1484				353409.6688		
Average Cost Per Councillor (Remuneration)					411199.2513	498206.9565				523117.2609		
R&M % of PPE			2.8%	2.2%	2.0%	1.7%	1.7%	1.7%		1.8%	1.8%	1.9%
Asset Renewal and R&M as a % of PPE			3.0%	3.0%	5.0%	5.0%	5.0%	5.0%		3.0%	117.0%	(698.0%)
Debt Impairment % of Total Billable Revenue			10.9%	0.3%	11.0%	8.0%	10.4%	10.4%	0.0%	10.7%	10.6%	10.3%
Capital Revenue												
Internally Funded & Other (R'000)			22 558	21 760	32 479	25 935	32 019	32 019	(9)	10 048	13 737	10 173
Borrowing (R'000)			–	3 523	–	–	3 043	3 043	–	–	–	–
Grant Funding and Other (R'000)			92 684	38 572	54 177	45 678	46 327	46 327	647	78 716	120 459	28 167
Internally Generated funds % of Non Grant Funding			100.0%	86.1%	100.0%	100.0%	91.3%	91.3%	100.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	13.9%	0.0%	0.0%	8.7%	8.7%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			80.4%	60.4%	62.5%	63.8%	56.9%	56.9%	101.4%	88.7%	89.8%	73.5%
Capital Expenditure												
Total Capital Programme (R'000)			115 242	63 855	86 657	71 613	81 390	81 390	639	88 764	134 196	38 340
Asset Renewal			4 924	10 816	15 824	11 900	12 753	12 753	–	4 900	–	5 000
Asset Renewal % of Total Capital Expenditure			4.3%	16.9%	18.3%	16.6%	15.7%	15.7%	0.0%	5.5%	0.0%	13.0%
Cash												
Cash Receipts % of Rate Payer & Other			104.2%	101.0%	88.6%	92.3%	92.0%	92.0%	114.8%	88.3%	91.4%	91.6%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0	0
Borrowing												
Credit Rating (2009/10)										0		
Capital Charges to Operating			5.1%	2.1%	3.4%	1.4%	1.3%	1.3%	0.1%	1.6%	1.5%	1.4%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves												
Surplus/(Deficit)			91 016	117 805	83 504	104 343	58 019	58 019	42 945	42 946	40 717	31 842
Free Services												
Free Basic Services as a % of Equitable Share			22.7%	16.6%	0.0%	8.0%	8.0%	8.0%		37.8%	36.3%	35.0%
Free Services as a % of Operating Revenue (excl operational transfers)			2.0%	2.1%	4.1%	5.7%	5.7%	5.7%		9.5%	9.3%	9.1%
High Level Outcome of Funding Compliance												
Total Operating Revenue			516 534	529 928	535 031	616 625	617 464	617 464	490 508	590 725	642 140	721 028
Total Operating Expenditure			512 929	516 217	532 678	654 680	689 363	689 363	469 932	682 493	729 455	815 938
Surplus/(Deficit) Budgeted Operating Statement			3 605	13 711	2 352	(38 055)	(71 900)	(71 900)	20 577	(91 768)	(87 315)	(94 910)
Surplus/(Deficit) Considering Reserves and Cash Backing			91 016	117 805	83 504	104 343	58 019	58 019	42 945	42 946	40 717	31 842
MTREF Funded (1) / Unfunded (0)		15	1	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

WC022 Witzenberg - Supporting Table SA11 Property rates summary

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:	1									
Date of valuation:										
Financial year valuation used		2016/17	2017/18	2018/19	2019/20					
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes					
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes					
Municipal partnership s38 used? (Y/N)		No	No	No	No					
No. of assistant valuers (FTE)	3	Service provide	Service provide	Service provide	Service provider	appointed		–		
No. of data collectors (FTE)	3	Service provider	Service provider	Service provider	Service provider	appointed		–		
No. of internal valuers (FTE)	3	Service provider	Service provider	Service provider	Service provider	appointed		–		
No. of external valuers (FTE)	3	Service provider	Service provider	Service provider	Service provider	appointed		–		
No. of additional valuers (FTE)	4	Service provider	Service provider	Service provider	Service provider	appointed		–		
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes					
Implementation time of new valuation roll (mths)		July	July	July	July			–		
No. of properties	5	13 989	13 989	13 989	13 989			–		
No. of sectional title values	5	558	558	558	558			–		
No. of unreasonably difficult properties s7(2)								–		
No. of supplementary valuations		2	2	2	2			–		
No. of valuation roll amendments		–	–	–	–			–		
No. of objections by rate payers		–	–	–	–			–		
No. of appeals by rate payers		–	–	–	–			–		
No. of successful objections	8	–	–	–	–			–		
No. of successful objections > 10%	8	–	–	–	–			–		
Supplementary valuation		–	–	–	–			–		
Public service infrastructure value (Rm)	5	–	–	–	–			–		
Municipality owned property value (Rm)		–	–	–	–			–		
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)		–	–	–	–	–	–	–	–	–
Total valuation reductions:		–	–	–	–	–	–	–	–	–
Total value used for rating (Rm)	5	7 764	7 764	7 764	7 764	–	–	–	–	–
Total land value (Rm)	5	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	5	–	–	–	–	–	–	–	–	–
Total market value (Rm)	5	–	–	–	–	–	–	–	–	–
Rating:										
Residential rate used to determine rate for other categories? (Y/N)		Yes	Yes	Yes	Yes					
Differential rates used? (Y/N)	5	Yes	Yes	Yes	Yes					
Limit on annual rate increase (s20)? (Y/N)		No	No	No	No					
Special rating area used? (Y/N)		No	No	No	No					
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–
Rates policy accompanying budget? (Y/N)		Yes	Yes	Yes	Yes					
Fixed amount minimum value (R'000)		N/A	N/A	N/A	N/A			–		
Non-residential prescribed ratio s19? (%)		0.0%	0.0%	0.0%	0.0%			0.0%		
Rate revenue:										
Rate revenue budget (R '000)	6	61 025	61 025	61 025	61 025	82 570	82 570	89 124	95 362	100 130
Rate revenue expected to collect (R'000)	6	57 974	57 974	57 974	57 974					
Expected cash collection rate (%)		95.0%	95.0%	95.0%	95.0%					
Special rating areas (R'000)	7	–	–	–	–	(44)	(44)	(47)	(50)	(52)
Rebates, exemptions - indigent (R'000)		–	–	–	–	2 688	2 688	2 849	3 049	3 201
Rebates, exemptions - pensioners (R'000)		–	–	–	–	946	946	1 002	1 073	1 126
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	464	464	492	527	553
Rebates, exemptions - other (R'000)		–	–	–	–	6 146	6 146	8 345	8 929	9 376
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		–	–	–	–	10 244	10 244	12 689	13 577	14 256

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

WC022 Witzenberg - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Current Year 2019/20																							
Valuation:																							
No. of properties		10 328	83	363	1 881	143	–	81		558	–	–	–	–	–	–	–	–	–	–	–	–	13
No. of sectional title property values											–	–	–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)											–	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		2	2	2	2	2	2	2	2	2	–	–	–	–	–	–	–	–	–	–	–	–	0
Supplementary valuation (Rm)											–	–	–	–	–	–	–	–	–	–	–	–	–
No. of valuation roll amendments											–	–	–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	In Process	In Process	In Process	In Process	In Process		In Process	In Process	In Process	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Years since last valuation (select)		1	1	1	1	1	1	1	1	1													
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4													
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market													
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.													
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)		0	0	0	0	0	0	0	0	0													
Flat rate used? (Y/N)		0	0	0	0	0	0	0	0	0													
Is balance rated by uniform rate/variable rate?																							
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:																							
Total value used for rating (Rm)	6	3 310	589	848	12 671	819		10		34	–	–	–	–	–	–	–	–	–	–	–	–	18 281 451
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rating:																							
Average rate	3	0.008745	0.015828	0.015828	0.001049	0.013817	–	0.002186		0.007871	–	–	–	–	–	–	–	–	–	–	–	–	
Rate revenue budget (R '000)		21 455	9 175	12 752	19 337	11 276	–	20		2	–	–	–	–	–	–	–	–		–	–	–	74 017
Rate revenue expected to collect (R'000)		3 309 817	589 390	848 232	12 670 844	818 803		9 930		34 437	–	–	–	–	–	–	–	–	–	–	–	–	18 281 451
Expected cash collection rate (%)	4	89.5%	98.0%	98.0%	95.0%	100.0%	100.0%	95.0%		80.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
Special rating areas (R'000)																			–				–
Rebates, exemptions - indigent (R'000)		2 688	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2 688
Rebates, exemptions - pensioners (R'000)		946	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	946
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	464	–	–	464
Rebates, exemptions - other (R'000)		5 674	53	53	–	53	–	53	–	–	–	–	–	–	–	53	53	–	53	52	53	–	6 146
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		9 308	53	53	–	53	–	53	–	–	–	–	–	–	–	53	53	–	53	516	53	–	10 244

WC022 Witzenberg - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Special Rating Areas	Agricultural	Multiple Purposes	Other Categories	Sum
Budget Year 2020/21																							
Valuation:																							
No. of properties		10 969	92	477	2 151	179	2 066	88	–	599	–	–	–	–	–	–	–	–	–	–	–	–	17
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		2	2	2	2	2	2	2	2	2	–	–	–	–	–	–	–	–	–	–	–	–	0
Supplementary valuation (Rm)											–	–	–	–	–	–	–	–	–	–	–	–	–
No. of valuation roll amendments											–	–	–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	In Process	In Process	In Process	In Process	In Process		In Process	In Process	In Process	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Years since last valuation (select)		1	1	1	1	1	1	1	1	1													
Frequency of valuation (select)		4	4	4	4	4	4	4	4	4													
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market													
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.													
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)		0	0	0	0	0	0	0	0	0													
Flat rate used? (Y/N)		0	0	0	0	0	0	0	0	0													
Is balance rated by uniform rate/variable rate?																							
Valuation reductions:																							
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total valuation reductions:																							
Total value used for rating (Rm)	6	3 365	591	854	12 706	817	1	10	–	34	–	–	–	–	–	–	–	–	–	–	–	–	18 378 559
Total land value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total value of improvements (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total market value (Rm)	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rating:																							
Average rate	3	0.009275	0.016788	0.016788	0.001252	0.014655	–	0.002319	–	0.008348	–	–	–	–	–	–	–	–	–	–	–	–	
Rate revenue budget (R '000)		23 180	9 903	14 227	21 978	11 929	–	21	–	13	–	–	–	–	–	–	–	–	–	–	–	–	81 252
Rate revenue expected to collect (R'000)		22 021	9 408	13 516	20 879	11 333	–	20	–	12	–	–	–	–	–	–	–	–	–	–	–	–	77 190
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	–
Special rating areas (R'000)																			–				–
Rebates, exemptions - indigent (R'000)		2 849	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2 849
Rebates, exemptions - pensioners (R'000)		1 002	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1 002
Rebates, exemptions - bona fide farm. (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	492	–	–	492
Rebates, exemptions - other (R'000)		6 385	56	56	–	56	–	56	–	–	–	–	–	–	–	56	56	–	56	55	56	–	6 885
Phase-in reductions/discounts (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total rebates,exemptns,reductns,discs (R'000)		10 237	56	56	–	56	–	56	–	–	–	–	–	–	–	56	56	–	56	547	56	–	11 229

WC022 Witzenberg - Supporting Table SA13a Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Property rates *(rate in the Rand)*	1								
Residential properties			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Residential properties - vacant land			0.0138	0.0149	0.0021	0.0131	0.0139	0.0149	0.0157
Formal/informal settlements			0.0073	0.0079	0.0074	0.0078	0.0083	0.0089	0.0093
Small holdings			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Farm properties - used			0.0023	0.0025	0.0010	0.0010	0.0015	0.0016	0.0017
Farm properties - not used			0.0023	0.0025	0.0010	0.0010	0.0015	0.0016	0.0017
Industrial properties			0.0174	0.0188	0.0149	0.0158	0.0163	0.0174	0.0183
Business and commercial properties			0.0174	0.0188	0.0149	0.0158	0.0167	0.0179	0.0188
Communal land - residential			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Communal land - small holdings			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Communal land - farm property			0.0023	0.0025	0.0010	0.0010	0.0093	0.0099	0.0104
Communal land - business and commercial			0.0174	0.0188	0.0149	0.0158	0.0167	0.0179	0.0188
Communal land - other			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
State-owned properties			0.0174	0.0188	0.0124	0.0138	0.0146	0.0156	0.0164
Municipal properties			0.0092	0.0099	0.0083	0.0087	0.0093	0.0099	0.0104
Public service infrastructure			0.0023	0.0025	0.0021	0.0022	0.0023	0.0025	0.0026
Privately owned towns serviced by the owner			n/a	n/a	n/a	n/a	-	-	-
State trust land			0.0174	0.0188	0.0124	0.0158	0.0163	0.0174	0.0183
Restitution and redistribution properties			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Protected areas			n/a	n/a	n/a	n/a	n/a	n/a	n/a
National monuments properties			0.0023	0.0025	0.0021	0.0010	0.0139	0.0149	0.0157
Exemptions, reductions and rebates *(Rands)*									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			-	85 000	85 000	105 000	105 000	105 000	105 000
Indigent rebate or exemption			70 000	85 000	85 000	105 000	105 000	105 000	105 000
Pensioners/social grants rebate or exemption				1	1	-	-	-	-
Temporary relief rebate or exemption			-	-	-	-	-	-	-
Bona fide farmers rebate or exemption			-	-	-	-	-	-	-
Other rebates or exemptions	2		-	-	-	-	-	-	-
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			82	82	83	83	83	83	83
Service point - vacant land *(Rands/month)*			112	123	136	144	153	162	172
Water usage - flat rate tariff *(c/kl)*			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Water usage - life line tariff			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Water usage - Block 1 (c/kl)			285	285	300	324	344	361	379
Water usage - Block 2 (c/kl)			745	805	868	1 023	1 085	1 139	1 196
Water usage - Block 3 (c/kl)			745	805	868	1 023	1 085	1 139	1 196
Water usage - Block 4 (c/kl)			745	805	868	1 023	1 085	1 139	1 196
Other	2								

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			190	202	216	228	242	257	270
Service point - vacant land *(Rands/month)*			n/a	n/a	n/a	n/a	86	91	95
Waste water - flat rate tariff *(c/kl)*			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 1 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 2 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 3 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Volumetric charge - Block 4 (c/kl)			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other	2		n/a	n/a	n/a	n/a	n/a	n/a	n/a
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*			n/a	n/a	n/a	-	-	-	-
Service point - vacant land *(Rands/month)*			148	174	192	217	230	248	271
FBE						-	-	-	-
Life-line tariff - meter						-	-	-	-
Life-line tariff - prepaid						-	-	-	-
Flat rate tariff - meter *(c/kwh)*						-	-	-	-
Flat rate tariff - prepaid*(c/kwh)*						-	-	-	-
Meter - IBT Block 1 (c/kwh)			106	143	154	-	184	199	217
Meter - IBT Block 2 (c/kwh)			125	143	154	-	184	199	217
Meter - IBT Block 3 (c/kwh)			165	143	154	-	184	199	217
Meter - IBT Block 4 (c/kwh)			188	193	208	-	310	334	365
Meter - IBT Block 5 (c/kwh)						-	-	-	-
Prepaid - IBT Block 1 (c/kwh)			99	125	135	-	162	175	191
Prepaid - IBT Block 2 (c/kwh)			122	125	135	-	162	175	191
Prepaid - IBT Block 3 (c/kwh)			161	125	135	-	162	175	191
Prepaid - IBT Block 4 (c/kwh)			193	217	233	-	280	302	330
Prepaid - IBT Block 5 (c/kwh)						-	-	-	-
Other	2		-	-	-	-	-	-	-
Waste management tariffs									
Domestic									
Street cleaning charge			n/a	n/a	n/a	n/a	n/a	n/a	n/a
Basic charge/fixed fee			-	-	166.52 - 256.18	181	192	204	216
80l bin - once a week			-	-	-	-	-	-	-
250l bin - once a week			-	-	-	-	-	-	-

WC022 Witzenberg - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Exemptions, reductions and rebates *(Rands)*									
Indigent rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
			70 000	85 000	105 000	105 000	105 000	105 000	105 000
Water tariffs									
Indigent rebate			6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge	6 KL Basic Charge
Waste water tariffs									
Indigent rebate			Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge	Basic Charge
Electricity tariffs									
Indigent rebate			50 kWh	50 kWh	50 kWh	50 kWh	50 kWh	50 kWh	50 kWh

WC022 Witzenberg - Supporting Table SA14 Household bills

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		524.03	495.50	398.75	510.13	510.13	510.13	6.0%	540.73	573.18	607.57
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		1 393.00	1 420.00	1 517.00	1 328.57	1 328.57	1 328.57	6.2%	1 411.21	1 522.98	1 663.24
Water: Basic levy		72.29	72.29	72.17	72.17	72.17	72.17	–	72.17	72.17	72.17
Water: Consumption		171.94	184.50	196.86	212.51	212.51	212.51	6.0%	225.29	238.80	253.13
Sanitation		166.79	176.80	189.05	198.65	198.65	198.65	6.0%	210.57	223.21	236.60
Refuse removal		–	184.44	195.51	169.89	169.89	169.89	6.0%	180.08	190.89	202.34
Other					–	–	–	–	–	–	–
sub-total		2 328.05	2 533.53	2 569.34	2 491.93	2 491.93	2 491.93	5.9%	2 640.06	2 821.23	3 035.06
VAT on Services		252.56	285.32	327.94	297.27	297.27	297.27	5.9%	314.90	337.21	364.12
Total large household bill:		2 580.61	2 818.85	2 897.28	2 789.20	2 789.20	2 789.20	5.9%	2 954.96	3 158.43	3 399.18
% increase/-decrease			9.2%	2.8%	(3.7%)	–	–		5.9%	6.9%	7.6%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		371.03	330.33	261.25	364.38	364.38	364.38	6.0%	386.24	409.41	433.98
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		576.00	550.00	587.50	664.29	664.29	664.29	6.2%	705.60	761.49	831.62
Water: Basic levy		72.29	72.29	72.17	72.17	72.17	72.17	–	72.17	72.17	72.17
Water: Consumption		139.24	149.18	159.11	171.76	171.76	171.76	6.0%	182.09	193.01	204.59
Sanitation		166.79	176.80	189.05	198.65	198.65	198.65	6.0%	210.57	223.21	236.60
Refuse removal		–	169.60	179.77	169.89	169.89	169.89	6.0%	180.08	190.89	202.34
Other				–	–	–	–	–	–	–	–
sub-total		1 325.35	1 448.21	1 448.86	1 641.14	1 641.14	1 641.14	5.8%	1 736.76	1 850.18	1 981.30
VAT on Services		133.61	156.50	179.22	191.51	191.51	191.51	5.8%	202.58	216.12	232.10
Total small household bill:		1 458.96	1 604.71	1 628.08	1 832.65	1 832.65	1 832.65	5.8%	1 939.34	2 066.29	2 213.40
% increase/-decrease			10.0%	1.5%	12.6%	–	–		5.8%	6.5%	7.1%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates		164.48	165.17	123.75	131.18	131.18	131.18	6.0%	139.05	147.39	156.23
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		321.00	330.00	352.50	465.00	465.00	465.00	6.2%	493.92	533.04	582.14
Water: Basic levy		–	–	–	72.17	72.17	72.17	–	72.17	72.17	72.17
Water: Consumption		106.55	113.87	105.70	131.01	131.01	131.01	6.0%	138.89	147.22	156.05
Sanitation				–	198.65	198.65	198.65	6.0%	210.57	223.21	236.60
Refuse removal				–	157.75	157.75	157.75	6.0%	167.22	177.25	187.89
Other				–	(719.88)	(719.88)	(719.88)	5.9%	(762.29)	(808.02)	(856.50)
sub-total		592.02	609.04	581.95	435.88	435.88	435.88	5.4%	459.54	492.26	534.58
VAT on Services		59.86	62.14	71.70	153.69	153.69	153.69	5.7%	162.42	172.93	185.23
Total small household bill:		651.88	671.18	653.65	589.57	589.57	589.57	5.5%	621.95	665.19	719.80
% increase/-decrease			3.0%	(2.6%)	(9.8%)	–	–		5.5%	7.0%	8.2%

WC022 Witzenberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality										
Securities - National Government		–	–	–	–	–	–	–	–	–
Listed Corporate Bonds		–	–	–	–	–	–	–	–	–
Deposits - Bank		No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	No Investments	No Investments
Deposits - Public Investment Commissioners		–	–	–	–	–	–	–	–	–
Deposits - Corporation for Public Deposits		–	–	–	–	–	–	–	–	–
Bankers Acceptance Certificates		–	–	–	–	–	–	–	–	–
Negotiable Certificates of Deposit - Banks		–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (sinking)		–	–	–	–	–	–	–	–	–
Repurchase Agreements - Banks		–	–	–	–	–	–	–	–	–
Municipal Bonds		–	–	–	–	–	–	–	–	–
Municipality sub-total	1	–	–	–	–	–	–	–	–	–
Entities										
Securities - National Government		–	–	–	–	–	–	–	–	–
Listed Corporate Bonds		–	–	–	–	–	–	–	–	–
Deposits - Bank		–	–	–	–	–	–	–	–	–
Deposits - Public Investment Commissioners		–	–	–	–	–	–	–	–	–
Deposits - Corporation for Public Deposits		–	–	–	–	–	–	–	–	–
Bankers Acceptance Certificates		–	–	–	–	–	–	–	–	–
Negotiable Certificates of Deposit - Banks		–	–	–	–	–	–	–	–	–
Guaranteed Endowment Policies (sinking)		–	–	–	–	–	–	–	–	–
Repurchase Agreements - Banks		–	–	–	–	–	–	–	–	–
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
No Investments at year end														
Municipality sub-total														
Entities														
Entities sub-total														
TOTAL INVESTMENTS AND INTEREST	1													

WC022 Witzenberg - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality										
Annuity and Bullet Loans		7 503	5 192	4 704	6 222	6 222	6 222	4 722	3 222	1 722
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	(237)	782	–	–	–	–	–	–
Municipality sub-total	1	7 503	4 956	5 486	6 222	6 222	6 222	4 722	3 222	1 722
Entities										
Annuity and Bullet Loans		–	–	–	–	–	–	–	–	–
Long-Term Loans (non-annuity)		–	–	–	–	–	–	–	–	–
Local registered stock		–	–	–	–	–	–	–	–	–
Instalment Credit		–	–	–	–	–	–	–	–	–
Financial Leases		–	–	–	–	–	–	–	–	–
PPP liabilities		–	–	–	–	–	–	–	–	–
Finance Granted By Cap Equipment Supplier		–	–	–	–	–	–	–	–	–
Marketable Bonds		–	–	–	–	–	–	–	–	–
Non-Marketable Bonds		–	–	–	–	–	–	–	–	–
Bankers Acceptances		–	–	–	–	–	–	–	–	–
Financial derivatives		–	–	–	–	–	–	–	–	–
Other Securities		–	–	–	–	–	–	–	–	–
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Borrowing	1	7 503	4 956	5 486	6 222	6 222	6 222	4 722	3 222	1 722

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23

WC022 Witzenberg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
RECEIPTS:	1, 2						
Operating Transfers and Grants							
National Government:		96 519	96 519	96 519	106 455	114 256	124 609
Operational Revenue:General Revenue:Equitable Share		92 850	92 850	92 850	101 915	112 056	122 389
Operational:Revenue:General Revenue:Fuel Levy		–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–
Agriculture Research and Technology		–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–	–	–	–	–
Community Library		–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 269	2 269	2 269	2 360	–	–
HIV and Aids		–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 400	1 400	1 400	1 550	1 550	1 550
Mitchell's Plain Urban Renewal		–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–
Restructuring - Seed Funding		–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		–	–	–	630	650	670
Water Services Infrastructure Grant		–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–

Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Provincial Government:		41 098	39 894	39 894	10 534	10 833	42 291
Capacity Building		–	–	–	–	–	–
Capacity Building and Other		12 098	10 894	10 894	10 534	10 833	11 261
Disaster and Emergency Services		–	–	–	–	–	–
Health		–	–	–	–	–	–
Housing		–	–	–	–	–	–
Infrastructure		29 000	29 000	29 000	–	–	31 030
Libraries, Archives and Museums		–	–	–	–	–	–
Other		–	–	–	–	–	–
Public Transport		–	–	–	–	–	–
Road Infrastructure - Maintenance		–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–
All Grants		–	–	–	–	–	–
Other Grant Providers:		250	2 010	2 010	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–
Foreign Government and International Organisations		250	853	853	–	–	–
Households		–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–
Public Corporations		–	1 157	1 157	–	–	–
Higher Educational Institutions		–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–
Total Operating Transfers and Grants	5	137 867	138 423	138 423	116 989	125 089	166 900

Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Transfers and Grants							
National Government:		39 106	37 389	37 389	41 127	46 256	28 422
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		–	–	–	–	3 000	4 000
Municipal Infrastructure Grant [Schedule 5B]		22 175	22 175	22 175	21 656	23 256	24 422
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–
Community Library		–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	–	–	–	–	–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		16 931	15 214	15 214	19 471	20 000	–
Water Services Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–
WIFI Connectivity		–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–
Aquaponic Project		–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–
Provincial Government:		5 172	8 537	8 537	43 084	79 910	3 050
Capacity Building		–	–	–	–	–	–
Capacity Building and Other		4 200	6 100	6 100	–	–	920
Disaster and Emergency Services		–	–	–	–	–	–
Health		–	–	–	–	–	–
Housing		–	–	–	–	–	–
Infrastructure		972	2 437	2 437	43 084	79 910	2 130
Libraries, Archives and Museums		–	–	–	–	–	–
Other		–	–	–	–	–	–
Public Transport		–	–	–	–	–	–
Road Infrastructure		–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–
District Municipality:		500	600	600	–	–	–
All Grants		500	600	600	–	–	–
Other Grant Providers:		–	501	501	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–
Foreign Government and International Organisations		–	501	501	–	–	–
Households		–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–
Transfer from Operational Revenue		–	–	–	–	–	–
Total Capital Transfers and Grants	5	44 778	47 027	47 027	84 211	126 166	31 472
TOTAL RECEIPTS OF TRANSFERS & GRANTS		182 645	185 451	185 451	201 200	251 255	198 372

WC022 Witzenberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		62 531	73 447	42 412	57 942	58 425	58 425	63 364	65 370	70 154
Operational Revenue:General Revenue:Equitable Share		59 734	70 412	39 533	53 673	54 156	54 156	58 824	63 170	67 934
Operational:Revenue:General Revenue:Fuel Levy		–	–	–	–	–	–	–	–	–
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Agriculture Research and Technology		–	–	–	–	–	–	–	–	–
Agriculture, Conservation and Environmental		–	–	–	–	–	–	–	–	–
Arts and Culture Sustainable Resource Management		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Department of Environmental Affairs		–	–	–	–	–	–	–	–	–
Department of Tourism		–	–	–	–	–	–	–	–	–
Department of Water Affairs and Sanitation Masibambane		–	–	–	–	–	–	–	–	–
Emergency Medical Service		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand-side [Schedule 5B]		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 336	1 485	2 019	2 269	2 269	2 269	2 360	–	–
HIV and Aids		–	–	–	–	–	–	–	–	–
Housing Accreditation		–	–	–	–	–	–	–	–	–
Housing Top structure		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		1 224	1 550	860	1 400	1 400	1 400	1 550	1 550	1 550
Mitchell's Plain Urban Renewal		–	–	–	–	–	–	–	–	–
Municipal Demarcation and Transition Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement Capacity Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Natural Resource Management Project		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Operation Clean Audit		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	–	–	–	–	–	–	–	–
Public Service Improvement Facility		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring - Seed Funding		–	–	–	–	–	–	–	–	–
Revenue Enhancement Grant Debtors Book		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–	–	–	–
Terrestrial Invasive Alien Plants		–	–	–	–	–	–	–	–	–
Water Services Operating Subsidy Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Health Hygiene in Informal Settlements		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant [Schedule 5B]		238	–	–	600	600	600	630	650	670
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Smart Connect Grant		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant		–	–	–	–	–	–	–	–	–
WiFi Grant [Department of Telecommunications and Postal Services		–	–	–	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Traditional Leaders - Imbizion		–	–	–	–	–	–	–	–	–
Department of Water and Sanitation Smart Living Handbook		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Municipal Restructuring Grant		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Provincial Government:		33 301	17 836	17 884	41 095	41 391	41 391	10 534	10 830	42 288
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		9 036	8 844	–	12 095	12 391	12 391	10 534	10 830	11 258
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	8 771	–	–	–	–	–	–
Infrastructure		24 265	8 992	–	29 000	29 000	29 000	–	–	31 030
Libraries, Archives and Museums		–	–	8 932	–	–	–	–	–	–
Other		–	–	181	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure - Maintenance		–	–	–	–	–	–	–	–	–
District Municipality:		–	600	–	–	100	100	–	–	–
All Grants		–	600	–	–	100	100	–	–	–
Other Grant Providers:		–	–	978	250	2 010	2 010	566	622	677
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	562	250	853	853	566	622	677
Households		–	–	–	–	–	–	–	–	–
Non-profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	416	–	1 157	1 157	–	–	–
Higher Educational Institutions										
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		95 832	91 883	61 274	99 287	101 926	101 926	74 464	76 821	113 119

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure of Transfers and Grants										
National Government:		26 944	22 739	25 793	38 506	36 789	36 789	35 763	40 614	25 237
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		4 917	–	4 136	2 609	2 609	2 609	–	3 000	4 000
Municipal Infrastructure Grant [Schedule 5B]		21 641	22 739	19 157	18 966	18 966	18 966	18 831	20 223	21 237
Municipal Water Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Household Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Urban Settlement Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Human Settlement		–	–	–	–	–	–	–	–	–
Community Library		–	–	–	–	–	–	–	–	–
Integrated City Development Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant [Schedule 4B]		–	–	–	–	–	–	–	–	–
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Khayelitsha Urban Renewal		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant [Schedule 5B]		385	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Public Transport Network Operations Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Regional Bulk Infrastructure Grant (Schedule 5B)		–	–	2 500	16 931	15 214	15 214	16 931	17 391	–
Water Services Infrastructure Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
WIFI Connectivity		–	–	–	–	–	–	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		–	–	–	–	–	–	–	–	–
Aquaponic Project		–	–	–	–	–	–	–	–	–
Restition Settlement		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant [Schedule 5B]		–	–	–	–	–	–	–	–	–
Restructuring Seed Funding		–	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Emergency Housing Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated Urban Development Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		11 824	22 194	28 005	6 672	8 537	8 537	42 954	79 845	2 930
Capacity Building		–	–	–	–	–	–	–	–	–
Capacity Building and Other		4 129	618	–	2 222	2 622	2 622	–	–	800
Disaster and Emergency Services		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Housing		–	–	26 164	–	–	–	–	–	–
Infrastructure		7 695	21 575	–	4 450	5 915	5 915	42 954	79 845	2 130
Libraries, Archives and Museums		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Public Transport		–	–	–	–	–	–	–	–	–
Road Infrastructure		–	–	1 842	–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–	–	–	–
Waste Water Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	717	500	500	500	–	–	–
All Grants		–	–	717	500	500	500	–	–	–
Other Grant Providers:		–	–	31 082	25 935	32 520	32 520	10 048	13 737	10 173
Departmental Agencies and Accounts		–	–	–	–	–	–	–	–	–
Foreign Government and International Organisations		–	–	–	–	501	501	–	–	–
Households		–	–	–	–	–	–	–	–	–
Non-Profit Institutions		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Public Corporations		–	–	–	–	–	–	–	–	–
Higher Educational Institutions		–	–	–	–	–	–	–	–	–
Parent Municipality / Entity		–	–	–	–	–	–	–	–	–
Transfer from Operational Revenue		–	–	31 082	25 935	32 019	32 019	10 048	13 737	10 173
Total capital expenditure of Transfers and Grants		38 768	44 933	85 597	71 613	78 346	78 346	88 764	134 196	38 340
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		134 600	136 816	146 872	170 900	180 272	180 272	163 228	211 017	151 459

WC022 Witzenberg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	(6 804)	–	–
Current year receipts		62 531	73 447	(3 330)	(2 150)	(2 150)	(2 150)	(2 180)	(2 200)	(2 220)
Conditions met - transferred to revenue		62 531	73 447	(3 330)	(2 150)	(2 150)	(2 150)	(8 984)	(2 200)	(2 220)
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	8 037	–	–
Current year receipts		33 301	17 836	(14 270)	(43 394)	(43 394)	(43 394)	(12 894)	(10 830)	(42 288)
Conditions met - transferred to revenue		33 301	17 836	(14 270)	(43 394)	(43 394)	(43 394)	(4 857)	(10 830)	(42 288)
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	600	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	600	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	(2 219)	–	–
Current year receipts		–	–	(929)	(775)	(775)	(775)	–	–	–
Conditions met - transferred to revenue		–	–	(929)	(775)	(775)	(775)	(2 219)	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		95 832	91 883	(18 529)	(46 319)	(46 319)	(46 319)	(16 060)	(13 030)	(44 508)
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	275	–	–
Current year receipts		26 944	22 739	(36 531)	(44 282)	(40 025)	(40 025)	(41 127)	(46 256)	(28 422)
Conditions met - transferred to revenue		26 944	22 739	(36 531)	(44 282)	(40 025)	(40 025)	(40 852)	(46 256)	(28 422)
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	(7 132)	–	–
Current year receipts		11 824	22 194	(28 164)	(5 426)	(7 111)	(7 111)	(43 084)	(79 910)	(3 050)
Conditions met - transferred to revenue		11 824	22 194	(28 164)	(5 426)	(7 111)	(7 111)	(50 216)	(79 910)	(3 050)
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	500	500	500	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	(500)	(500)	(500)	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		38 768	44 933	(64 695)	(49 208)	(46 636)	(46 636)	(91 069)	(126 166)	(31 472)
Total capital transfers and grants - CTBM	2	–	–	–	(500)	(500)	(500)	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		134 600	136 816	(83 223)	(95 527)	(92 955)	(92 955)	(107 129)	(139 196)	(75 980)
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	(500)	(500)	(500)	–	–	–

WC022 Witzenberg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Transfers to other municipalities											
Operational	1	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Operational	2	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Operational	3	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Operational			12 919	947	1 169	1 436	1 436	1 189	1 396	1 460	1 528
Capital		941	1 001	–	–	–	–	–	–	–	–
Total Cash Transfers To Organisations		941	13 920	947	1 169	1 436	1 436	1 189	1 396	1 460	1 528
Cash Transfers to Groups of Individuals											
Operational		–	–	9 071	29 794	29 744	29 744	19 471	782	399	31 449
Capital		–	–	–	–	–	–	–	–	–	–
Total Cash Transfers To Groups Of Individuals:		–	–	9 071	29 794	29 744	29 744	19 471	782	399	31 449
TOTAL CASH TRANSFERS AND GRANTS	6	941	13 920	10 019	30 962	31 179	31 179	20 660	2 179	1 859	32 976

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Non-Cash Transfers to other municipalities											
Operational	1	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
Operational	2	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Operational	3	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations											
Operational	4	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Groups of Individuals											
Operational	5	–	–	–	–	–	–	–	–	–	–
Capital		–	–	–	–	–	–	–	–	–	–
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	941	13 920	10 019	30 962	31 179	31 179	20 660	2 179	1 859	32 976

WC022 Witzenberg - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7 890	7 006	7 242	7 718	7 718	7 718	8 104	8 509	8 935
Pension and UIF Contributions		836	1 018	1 049	1 137	1 137	1 137	1 194	1 254	1 317
Medical Aid Contributions		54	137	184	227	227	227	239	251	263
Motor Vehicle Allowance		–	0	–	741	741	741	778	817	858
Cellphone Allowance		–	934	931	1 094	1 094	1 094	1 149	1 207	1 267
Housing Allowances		–	73	52	487	487	487	511	537	564
Other benefits and allowances		–	1	–	54	54	54	56	59	62
Sub Total - Councillors		8 780	9 170	9 459	11 459	11 459	11 459	12 032	12 633	13 265
% increase	4		4.4%	3.1%	21.1%	–	–	5.0%	5.0%	5.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4 112	4 112	3 011	3 809	3 809	3 809	4 139	4 497	4 886
Pension and UIF Contributions		812	548	189	783	783	783	851	925	1 005
Medical Aid Contributions		–	104	67	135	135	135	147	159	173
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		774	642	526	891	891	891	968	1 052	1 143
Motor Vehicle Allowance	3	910	426	812	1 052	1 052	1 052	1 143	1 242	1 350
Cellphone Allowance	3	–	26	26	71	81	81	77	84	91
Housing Allowances	3	–	–	–	154	154	154	167	182	197
Other benefits and allowances	3	169	621	152	115	115	115	125	136	147
Payments in lieu of leave		217	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		6 993	6 479	4 783	7 010	7 020	7 020	7 617	8 276	8 993
% increase	4		(7.4%)	(26.2%)	46.6%	0.1%	–	8.5%	8.7%	8.7%
Other Municipal Staff										
Basic Salaries and Wages		70 155	86 987	100 051	115 689	116 528	116 528	126 695	135 171	146 703
Pension and UIF Contributions		12 616	14 018	15 600	17 544	17 554	17 554	19 060	20 676	22 464
Medical Aid Contributions		5 825	6 648	7 306	7 793	7 793	7 793	8 467	9 200	9 996
Overtime		8 642	14 629	16 282	12 733	12 733	12 733	13 794	14 976	16 259
Performance Bonus		6 034	7 171	7 295	8 186	8 186	8 186	8 895	9 664	10 531
Motor Vehicle Allowance	3	3 100	3 874	4 580	4 497	4 497	4 497	4 886	5 309	5 769
Cellphone Allowance	3	–	497	488	405	405	405	440	478	519
Housing Allowances	3	593	1 446	1 448	1 649	1 649	1 649	1 792	1 947	2 115
Other benefits and allowances	3	13 506	2 855	3 391	4 318	4 318	4 318	4 691	5 097	5 539
Payments in lieu of leave		877	1 936	975	889	889	889	966	1 050	1 140
Long service awards		447	(2 702)	414	–	–	–	–	–	–
Post-retirement benefit obligations	6	4 031	11 576	10 553	11 812	26 812	26 812	28 880	30 557	32 650
Sub Total - Other Municipal Staff		125 825	148 936	168 382	185 514	201 363	201 363	218 565	234 124	253 685
% increase	4		18.4%	13.1%	10.2%	8.5%	–	8.5%	7.1%	8.4%
Total Parent Municipality		141 598	164 585	182 623	203 983	219 842	219 842	238 214	255 034	275 943
			16.2%	11.0%	11.7%	7.8%	–	8.4%	7.1%	8.2%
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		141 598	164 585	182 623	203 983	219 842	219 842	238 214	255 034	275 943
% increase	4		16.2%	11.0%	11.7%	7.8%	–	8.4%	7.1%	8.2%
TOTAL MANAGERS AND STAFF	5,7	132 818	155 415	173 164	192 524	208 383	208 383	226 182	242 401	262 678

WC022 Witzenberg - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4	1	617 430	93 206	148 956	–	–	859 592
Chief Whip		–	–	–	–	–	–	–
Executive Mayor		1	218 615	33 112	810 276	–	–	1 062 003
Deputy Executive Mayor		1	619 494	93 516	146 584	–	–	859 594
Executive Committee		–	2 237 160	479 271	519 545	–	–	3 235 976
Total for all other councillors		–	4 411 360	733 817	869 355	–	–	6 014 532
Total Councillors	8	3	8 104 059	1 432 922	2 494 716			12 031 697
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 058 038	323 814	291 542	238 674	–	1 912 068
Chief Finance Officer		1	574 542	221 217	348 709	183 778	–	1 328 246
Director: Corporate Services		1	838 464	195 906	262 815	183 778	–	1 480 963
Director: Community Services		1	830 295	252 562	156 495	183 778	–	1 423 130
Director: Technical Services		1	837 682	5 484	451 697	177 817	–	1 472 680
List of each offical with packages >= senior manager								
Total Senior Managers of the Municipality	8,10	5	4 139 021	998 983	1 511 258	967 825		7 617 087
A Heading for Each Entity List each member of board by designation	6,7							
Total for municipal entities	8,10	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	8	12 243 080	2 431 905	4 005 974	967 825		19 648 784

WC022 Witzenberg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2018/19			Current Year 2019/20			Budget Year 2020/21		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		23	23	–	23	23	–	23	23	–
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	–	–	–	–	–	–	–	–	–
Municipal Manager and Senior Managers	3	5	–	5	5		5	5	–	5
Other Managers	7	23	23	–	23	23	–	23	23	–
Professionals		*23*	*19*	*4*	*23*	*19*	*4*	*23*	*19*	*4*
Finance		–	–	–	–	–	–	–	–	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		23	19	4	23	19	4	23	19	4
Technicians		*79*	*74*	*5*	*79*	*74*	*5*	*79*	*74*	*5*
Finance		11	11	–	11	11	–	11	11	–
Spatial/town planning		5	5	–	5	5	–	5	5	–
Information Technology		1	1	–	1	1	–	1	1	–
Roads		3	3	–	3	3	–	3	3	–
Electricity		8	8	–	8	8	–	8	8	–
Water		2	2	–	2	2	–	2	2	–
Sanitation		2	2	–	2	2	–	2	2	–
Refuse		4	4	–	4	4	–	4	4	–
Other		43	38	5	43	38	5	43	38	5
Clerks (Clerical and administrative)		115	96	19	115	96	19	115	96	19
Service and sales workers		–	–	–	–	–	–	–	–	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		74	71	3	74	71	3	74	71	3
Elementary Occupations		321	279	42	321	279	42	321	279	42
TOTAL PERSONNEL NUMBERS	9	663	585	78	663	585	78	663	585	78
% increase					–	–	–	–	–	–
Total municipal employees headcount	6, 10	–	–	–	–	–	–	–	–	–
Finance personnel headcount	8, 10	60	57	3	60	57	3	59	54	5
Human Resources personnel headcount	8, 10	8	8	–	8	8	–	13	7	6

WC022 Witzenberg - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source																
Property rates		11 299	4 614	4 596	6 856	4 660	7 698	3 491	5 994	11 096	6 211	5 247	4 627	76 388	81 736	85 822
Service charges - electricity revenue		39 490	16 124	16 061	23 961	16 287	26 905	12 200	20 949	38 780	21 707	18 338	16 170	266 973	289 598	318 903
Service charges - water revenue		5 197	2 122	2 114	3 154	2 144	3 541	1 606	2 757	5 104	2 857	2 414	2 128	35 137	37 630	39 821
Service charges - sanitation revenue		2 715	1 108	1 104	1 647	1 120	1 849	839	1 440	2 666	1 492	1 261	1 111	18 352	19 453	20 425
Service charges - refuse revenue		3 146	1 285	1 280	1 909	1 298	2 144	972	1 669	3 090	1 730	1 461	1 288	21 271	22 547	23 547
Rental of facilities and equipment		394	161	160	239	162	268	122	209	387	216	183	161	2 663	8 342	8 759
Interest earned - external investments		1 350	551	549	819	557	920	417	716	1 326	742	627	553	9 129	9 586	9 089
Interest earned - outstanding debtors		1 222	499	497	742	504	833	378	648	1 200	672	568	500	8 264	8 677	9 111
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3 026	1 235	1 231	1 836	1 248	2 062	935	1 605	2 971	1 663	1 405	1 239	20 456	21 479	22 553
Licences and permits		297	121	121	180	123	203	92	158	292	163	138	122	2 010	2 111	2 216
Agency services		570	233	232	346	235	388	176	302	560	313	265	233	3 854	4 046	4 249
Transfers and subsidies		17 305	7 066	7 038	10 500	7 137	11 790	5 346	9 180	16 994	9 512	8 036	7 086	116 989	125 089	166 900
Other revenue		1 367	558	556	829	564	931	422	725	1 342	751	635	560	9 240	11 847	9 632
Gains		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	–
Total Revenue (excluding capital transfers and contributions)		87 379	35 678	35 538	53 018	36 039	59 532	26 994	46 353	85 807	48 031	40 577	35 778	590 725	642 140	721 028
Expenditure By Type																
Employee related costs		19 410	20 795	20 899	17 716	20 798	16 927	13 861	17 538	18 559	19 814	19 813	20 052	226 182	242 401	262 678
Remuneration of councillors		1 032	1 106	1 112	942	1 106	900	737	933	987	1 054	1 054	1 067	12 032	12 633	13 265
Debt impairment		3 835	4 109	4 129	3 500	4 109	3 344	2 739	3 465	3 667	3 915	3 915	3 962	44 688	47 670	50 416
Depreciation & asset impairment		3 492	3 741	3 760	3 187	3 741	3 045	2 494	3 155	3 339	3 564	3 564	3 607	40 688	42 918	42 918
Finance charges		788	844	848	719	844	687	563	712	753	804	804	814	9 181	9 635	10 108
Bulk purchases		19 974	21 400	21 507	18 231	21 403	17 419	14 265	18 048	19 099	20 390	20 389	20 636	232 760	252 871	279 144
Other materials		1 676	1 795	1 804	1 530	1 796	1 461	1 197	1 514	1 602	1 711	1 711	1 731	19 528	20 425	21 410
Contracted services		4 161	4 458	4 480	3 798	4 458	3 629	2 971	3 760	3 979	4 247	4 247	4 299	48 486	52 008	54 155
Transfers and subsidies		187	200	201	171	200	163	134	169	179	191	191	193	2 179	1 859	32 976
Other expenditure		4 014	4 300	4 321	3 663	4 301	3 500	2 866	3 626	3 838	4 097	4 097	4 146	46 770	47 035	48 867
Losses		0	0	0	0	0	0	0	0	0	0	0	0	0	0	–
Total Expenditure		58 568	62 747	63 062	53 457	62 757	51 077	41 826	52 920	56 002	59 787	59 784	60 507	682 493	729 455	815 938
Surplus/(Deficit)		28 811	(27 069)	(27 524)	(438)	(26 719)	8 455	(14 832)	(6 567)	29 805	(11 756)	(19 207)	(24 729)	(91 768)	(87 315)	(94 910)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		11 644	4 754	4 736	7 065	4 802	7 933	3 597	6 177	11 434	6 400	5 407	4 768	78 716	120 459	28 167
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		40 455	(22 315)	(22 788)	6 626	(21 916)	16 388	(11 235)	(390)	41 240	(5 356)	(13 800)	(19 961)	(13 052)	33 143	(66 744)
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	40 455	(22 315)	(22 788)	6 626	(21 916)	16 388	(11 235)	(390)	41 240	(5 356)	(13 800)	(19 961)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote																
Vote 1 - Financial Services		14 360	5 863	5 840	8 713	5 923	9 783	4 436	7 618	14 101	7 893	6 668	5 880	97 078	102 909	104 299
Vote 2 - Community Services		1 767	721	719	1 072	729	1 204	546	937	1 735	971	820	723	11 944	19 965	57 508
Vote 3 - Community Services		18 640	7 611	7 581	11 310	7 688	12 700	5 759	9 888	18 305	10 246	8 656	7 632	126 015	135 218	146 622
Vote 4 - Community Services		725	296	295	440	299	494	224	385	712	399	337	297	4 905	4 571	4 643
Vote 5 - Corporate Services		84	34	34	51	35	57	26	44	82	46	39	34	566	594	624
Vote 6 - Technical Services		48 894	19 964	19 886	29 667	20 166	33 312	15 105	25 938	48 015	26 877	22 706	20 021	330 552	386 112	357 822
Vote 7 - Technical Services		14 324	5 849	5 826	8 691	5 908	9 759	4 425	7 599	14 067	7 874	6 652	5 865	96 840	111 623	76 002
Vote 8 - Muncipal Manager		228	93	93	138	94	155	70	121	224	125	106	93	1 542	1 607	1 675
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		99 022	40 432	40 274	60 083	40 841	67 465	30 592	52 530	97 242	54 432	45 984	40 546	669 441	762 599	749 194
Expenditure by Vote to be appropriated																
Vote 1 - Financial Services		4 540	4 864	4 889	4 144	4 865	3 959	3 242	4 102	4 341	4 635	4 634	4 690	52 907	54 892	58 552
Vote 2 - Community Services		3 641	3 901	3 920	3 323	3 901	3 175	2 600	3 290	3 481	3 717	3 717	3 762	42 428	45 601	48 530
Vote 3 - Community Services		4 449	4 766	4 790	4 060	4 767	3 880	3 177	4 020	4 254	4 541	4 541	4 596	51 839	52 793	56 181
Vote 4 - Community Services		1 669	1 788	1 797	1 524	1 789	1 456	1 192	1 508	1 596	1 704	1 704	1 725	19 452	20 985	53 362
Vote 5 - Corporate Services		6 971	7 469	7 506	6 363	7 470	6 080	4 979	6 299	6 666	7 117	7 116	7 202	81 238	86 290	91 802
Vote 6 - Technical Services		28 742	30 793	30 947	26 234	30 798	25 066	20 526	25 970	27 483	29 340	29 338	29 693	334 930	362 615	395 085
Vote 7 - Technical Services		7 210	7 724	7 763	6 581	7 725	6 288	5 149	6 514	6 894	7 360	7 359	7 448	84 015	89 511	94 488
Vote 8 - Muncipal Manager		1 346	1 442	1 449	1 229	1 442	1 174	961	1 216	1 287	1 374	1 374	1 391	15 685	16 769	17 939
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		58 568	62 747	63 062	53 457	62 757	51 077	41 826	52 920	56 002	59 787	59 784	60 507	682 493	729 455	815 938
Surplus/(Deficit) before assoc.		40 455	(22 315)	(22 788)	6 626	(21 916)	16 388	(11 235)	(390)	41 240	(5 356)	(13 800)	(19 961)	(13 052)	33 143	(66 744)
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	40 455	(22 315)	(22 788)	6 626	(21 916)	16 388	(11 235)	(390)	41 240	(5 356)	(13 800)	(19 961)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional																
Governance and administration		14 944	6 102	6 078	9 068	6 164	10 182	4 617	7 928	14 675	8 215	6 940	6 119	101 030	107 085	108 722
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		14 944	6 102	6 078	9 068	6 164	10 182	4 617	7 928	14 675	8 215	6 940	6 119	101 030	107 085	108 722
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		21 021	8 583	8 549	12 755	8 670	14 322	6 494	11 151	20 643	11 555	9 762	8 607	142 111	158 967	207 957
Community and social services		16 993	6 938	6 911	10 311	7 009	11 577	5 250	9 015	16 687	9 341	7 891	6 958	114 880	124 046	139 475
Sport and recreation		267	109	109	162	110	182	82	142	262	147	124	109	1 805	8 218	8 629
Public safety		3 685	1 505	1 499	2 236	1 520	2 511	1 138	1 955	3 619	2 026	1 711	1 509	24 912	26 158	28 251
Housing		76	31	31	46	31	52	23	40	75	42	35	31	514	545	31 603
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		2 984	1 218	1 214	1 811	1 231	2 033	922	1 583	2 930	1 640	1 386	1 222	20 173	48 799	13 382
Planning and development		372	152	151	225	153	253	115	197	365	204	173	152	2 512	2 627	2 745
Road transport		2 610	1 066	1 062	1 584	1 077	1 778	806	1 385	2 563	1 435	1 212	1 069	17 647	46 159	10 626
Environmental protection		2	1	1	1	1	1	1	1	2	1	1	1	13	14	10
Trading services		60 057	24 522	24 426	36 440	24 770	40 917	18 554	31 859	58 977	33 013	27 889	24 591	406 013	447 627	419 007
Energy sources		39 300	16 046	15 984	23 846	16 209	26 775	12 141	20 848	38 593	21 603	18 250	16 092	265 685	292 773	321 385
Water management		9 593	3 917	3 902	5 821	3 957	6 536	2 964	5 089	9 421	5 273	4 455	3 928	64 856	80 584	50 959
Waste water management		6 423	2 623	2 612	3 897	2 649	4 376	1 984	3 407	6 308	3 531	2 983	2 630	43 424	43 164	21 550
Waste management		4 740	1 936	1 928	2 876	1 955	3 230	1 464	2 515	4 655	2 606	2 201	1 941	32 047	31 105	25 113
Other		17	7	7	10	7	12	5	9	17	9	8	7	115	120	126
Total Revenue - Functional		99 022	40 432	40 274	60 083	40 841	67 465	30 592	52 530	97 242	54 432	45 984	40 546	669 441	762 599	749 194
Expenditure - Functional																
Governance and administration		12 947	13 871	13 940	11 817	13 873	11 291	9 246	11 698	12 380	13 216	13 215	13 375	150 869	159 136	169 632
Executive and council		2 627	2 814	2 829	2 398	2 815	2 291	1 876	2 374	2 512	2 682	2 682	2 714	30 612	32 525	34 529
Finance and administration		10 079	10 798	10 852	9 199	10 800	8 790	7 198	9 107	9 637	10 289	10 288	10 413	117 451	123 618	131 904
Internal audit		241	258	259	220	258	210	172	218	230	246	246	249	2 805	2 993	3 199
Community and public safety		9 201	9 858	9 908	8 398	9 860	8 025	6 571	8 314	8 798	9 393	9 392	9 506	107 225	112 367	150 506
Community and social services		2 468	2 644	2 657	2 253	2 645	2 152	1 763	2 230	2 360	2 519	2 519	2 550	28 760	28 492	30 073
Sport and recreation		2 614	2 800	2 814	2 386	2 801	2 279	1 867	2 362	2 499	2 668	2 668	2 700	30 457	32 703	34 934
Public safety		3 621	3 880	3 899	3 305	3 880	3 158	2 586	3 272	3 463	3 697	3 697	3 741	42 200	44 954	47 809
Housing		498	534	537	455	534	435	356	450	477	509	509	515	5 807	6 218	37 690
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		3 297	3 533	3 550	3 010	3 533	2 876	2 355	2 979	3 153	3 366	3 366	3 407	38 426	39 446	41 801
Planning and development		1 115	1 194	1 200	1 018	1 195	972	796	1 007	1 066	1 138	1 138	1 152	12 992	12 392	13 362
Road transport		2 010	2 154	2 164	1 835	2 154	1 753	1 436	1 816	1 922	2 052	2 052	2 077	23 425	24 883	26 096
Environmental protection		172	185	186	157	185	150	123	156	165	176	176	178	2 009	2 171	2 343
Trading services		33 040	35 397	35 575	30 157	35 403	28 814	23 595	29 854	31 592	33 728	33 726	34 134	385 015	417 504	452 945
Energy sources		23 038	24 682	24 806	21 028	24 686	20 091	16 453	20 816	22 029	23 518	23 516	23 801	268 463	293 366	322 093
Water management		3 066	3 285	3 302	2 799	3 286	2 674	2 190	2 771	2 932	3 130	3 130	3 168	35 733	37 962	39 776
Waste water management		2 983	3 196	3 212	2 723	3 197	2 602	2 131	2 696	2 853	3 046	3 045	3 082	34 766	37 044	38 992
Waste management		3 952	4 234	4 255	3 607	4 235	3 447	2 822	3 571	3 779	4 034	4 034	4 083	46 053	49 131	52 084
Other		82	88	89	75	88	72	59	74	79	84	84	85	959	1 003	1 053
Total Expenditure - Functional		58 568	62 747	63 062	53 457	62 757	51 077	41 826	52 920	56 002	59 787	59 784	60 507	682 493	729 455	815 938
Surplus/(Deficit) before assoc.		40 455	(22 315)	(22 788)	6 626	(21 916)	16 388	(11 235)	(390)	41 240	(5 356)	(13 800)	(19 961)	(13 052)	33 143	(66 744)
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	40 455	(22 315)	(22 788)	6 626	(21 916)	16 388	(11 235)	(390)	41 240	(5 356)	(13 800)	(19 961)	(13 052)	33 143	(66 744)

WC022 Witzenberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Multi-year expenditure *to be appropriated*	1															
Vote 1 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		270	650	1 420	1 016	1 601	402	907	1 224	2 086	1 089	1 641	2 115	14 421	77 575	6 593
Vote 7 - Technical Services		491	1 184	2 589	1 852	2 918	732	1 654	2 231	3 802	1 985	2 992	3 856	26 288	41 096	–
Vote 8 - Muncipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	761	1 834	4 009	2 868	4 519	1 134	2 562	3 455	5 888	3 074	4 633	5 971	40 708	118 670	6 593
Single-year expenditure *to be appropriated*																
Vote 1 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	137	5 619
Vote 3 - Community Services		12	28	61	44	69	17	39	53	90	47	71	91	620	–	80
Vote 4 - Community Services		17	41	89	63	100	25	57	76	130	68	102	132	900	–	30
Vote 5 - Corporate Services		20	47	103	74	117	29	66	89	152	79	120	154	1 050	–	600
Vote 6 - Technical Services		655	1 578	3 449	2 467	3 888	975	2 204	2 972	5 066	2 644	3 986	5 137	35 021	4 109	15 891
Vote 7 - Technical Services		196	471	1 031	737	1 162	291	659	888	1 514	790	1 191	1 535	10 465	11 279	9 526
Vote 8 - Muncipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	898	2 165	4 733	3 386	5 335	1 338	3 024	4 079	6 951	3 629	5 470	7 049	48 056	15 525	31 747
Total Capital Expenditure	2	1 660	3 999	8 742	6 254	9 854	2 472	5 586	7 534	12 839	6 702	10 103	13 020	88 764	134 196	38 340

WC022 Witzenberg - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional	1															
Governance and administration		26	63	138	99	155	39	88	119	203	106	159	205	1 400	–	600
Executive and council		11	27	59	42	67	17	38	51	87	45	68	88	600	–	–
Finance and administration		15	36	79	56	89	22	50	68	116	60	91	117	800	–	600
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		28	68	150	107	169	42	96	129	220	115	173	223	1 520	137	5 729
Community and social services		11	26	57	41	64	16	36	49	84	44	66	85	580	137	4 859
Sport and recreation		18	42	93	66	104	26	59	80	136	71	107	138	940	–	70
Public safety		–	–	–	–	–	–	–	–	–	–	–	–	–	–	800
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		379	912	1 994	1 426	2 247	564	1 274	1 718	2 928	1 529	2 304	2 970	20 245	53 978	12 984
Planning and development		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Road transport		379	912	1 994	1 426	2 247	564	1 274	1 718	2 928	1 529	2 304	2 970	20 245	53 978	12 984
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		1 226	2 955	6 460	4 622	7 282	1 827	4 128	5 568	9 489	4 953	7 466	9 623	65 600	80 080	19 026
Energy sources		47	113	246	176	278	70	157	212	362	189	285	367	2 500	5 065	8 000
Water management		512	1 234	2 698	1 930	3 041	763	1 724	2 325	3 963	2 069	3 118	4 019	27 396	39 990	9 526
Waste water management		493	1 187	2 595	1 856	2 925	734	1 658	2 236	3 811	1 989	2 999	3 865	26 347	22 640	1 500
Waste management		175	421	921	659	1 039	261	589	794	1 353	706	1 065	1 372	9 356	12 384	–
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	2	1 660	3 999	8 742	6 254	9 854	2 472	5 586	7 534	12 839	6 702	10 103	13 020	88 764	134 196	38 340
Funded by:																
National Government		669	1 611	3 522	2 520	3 970	996	2 250	3 035	5 173	2 700	4 070	5 246	35 763	40 614	25 237
Provincial Government		803	1 935	4 230	3 026	4 768	1 196	2 703	3 646	6 213	3 243	4 889	6 301	42 954	79 845	2 930
District Municipality		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital		1 472	3 546	7 752	5 546	8 738	2 192	4 953	6 681	11 386	5 944	8 959	11 547	78 716	120 459	28 167
Public contributions & donations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds		188	453	990	708	1 115	280	632	853	1 453	759	1 144	1 474	10 048	13 737	10 173
Total Capital Funding		1 660	3 999	8 742	6 254	9 854	2 472	5 586	7 534	12 839	6 702	10 103	13 020	88 764	134 196	38 340

WC022 Witzenberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source													1		
Property rates	4 101	8 766	7 206	20 803	4 301	3 365	4 558	4 339	3 745	3 779	3 939	3 667	72 569	77 649	81 531
Service charges - electricity revenue	20 487	20 418	20 297	20 402	18 536	13 640	16 112	23 360	25 477	28 342	28 655	25 907	261 633	286 702	315 714
Service charges - water revenue	2 268	2 239	1 310	2 393	1 502	1 644	1 923	2 852	1 919	2 226	2 187	1 782	24 245	30 856	32 653
Service charges - sanitation revenue	911	1 193	1 200	1 087	942	654	1 244	1 264	1 092	949	1 024	2 572	14 131	16 535	17 362
Service charges - refuse revenue	1 319	1 393	1 149	1 674	1 249	1 194	1 358	1 544	1 213	1 319	1 299	1 243	15 953	19 165	20 015
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	65	70	119	135	114	17	194	162	174	41	133	106	1 331	7 508	7 883
Interest earned - external investments	400	580	759	455	701	529	1 494	1 029	592	620	873	1 096	9 129	9 586	9 089
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	8 264	–	–	–	8 264	8 677	9 111
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	460	256	581	147	598	150	240	613	254	228	894	897	5 319	7 518	7 894
Licences and permits	156	58	191	207	436	108	199	37	96	15	380	126	2 010	2 111	2 216
Agency services	–	–	–	–	–	–	–	–	–	3 854	–	–	3 854	4 046	4 249
Transfers and Subsidies - Operational	41 105	2 266	3 999	2 261	2 308	32 074	–	4 779	28 060	136	0	–	116 989	125 089	166 900
Other revenue	253	410	692	2 126	773	242	1 165	420	241	2 173	384	361	9 240	11 847	9 632
Cash Receipts by Source	71 525	37 650	37 503	51 691	31 461	53 617	28 487	40 399	71 126	43 682	39 769	37 756	544 666	607 289	684 248
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	20 684	–	–	4 259	6 570	9 206	–	8 517	19 425	7 004	3 051	–	78 716	120 459	28 167
Proceeds on Disposal of Fixed and Intangible Assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	92 209	37 650	37 503	55 949	38 031	62 823	28 487	48 916	90 551	50 687	42 820	37 756	623 382	727 747	712 415
Cash Payments by Type															
Employee related costs	13 716	16 066	15 002	15 225	24 054	15 354	15 386	18 516	15 500	15 879	18 006	15 999	198 703	213 332	231 610
Remuneration of councillors	979	977	969	934	948	971	1 196	1 003	1 013	1 014	1 012	1 015	12 032	12 633	13 265
Finance charges	–	–	–	–	–	665	–	–	62	–	–	606	1 332	1 786	1 455
Bulk purchases - Electricity	25 675	26 551	25 625	14 859	14 671	14 293	13 008	17 408	17 778	22 001	20 552	20 341	232 760	252 871	279 144
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	789	391	605	2 464	1 581	1 898	1 252	3 258	1 342	1 802	2 492	1 654	19 528	20 425	21 410
Contracted services	2 489	2 432	4 223	4 047	4 684	4 445	2 083	1 929	5 663	3 874	5 786	6 831	48 486	52 008	54 155
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	82	64	50	84	–	1	150	22	1 541	46	89	50	2 179	1 859	32 976
Other expenditure	4 480	5 168	5 435	6 389	5 720	4 417	1 354	1 426	3 198	4 597	1 275	3 310	46 770	47 035	48 867
Cash Payments by Type	48 210	51 650	51 909	44 003	51 658	42 044	34 429	43 561	46 098	49 214	49 210	49 806	561 790	601 950	682 883
Other Cash Flows/Payments by Type															
Capital assets	1 660	3 999	8 742	6 254	9 854	2 472	5 586	7 534	12 839	6 702	10 103	13 020	88 764	134 196	38 340
Repayment of borrowing	–	–	1 245	–	–	118	–	–	18	–	–	118	1 500	1 500	1 500
Other Cash Flows/Payments	(81)	(94)	(98)	(116)	(104)	(80)	(25)	(26)	(58)	(83)	(23)	(60)	(848)	(258)	624
Total Cash Payments by Type	49 788	55 555	61 797	50 140	61 408	44 554	39 990	51 069	58 897	55 833	59 290	62 885	651 207	737 388	723 347
NET INCREASE/(DECREASE) IN CASH HELD	42 421	(17 905)	(24 294)	5 809	(23 377)	18 269	(11 503)	(2 153)	31 654	(5 146)	(16 470)	(25 129)	(27 824)	(9 641)	(10 932)
Cash/cash equivalents at the month/year begin:	66 287	108 708	90 803	66 509	72 318	48 940	67 209	55 706	53 553	85 207	80 062	63 591	66 287	38 463	28 822
Cash/cash equivalents at the month/year end:	108 708	90 803	66 509	72 318	48 940	67 209	55 706	53 553	85 207	80 062	63 591	38 463	38 463	28 822	17 890

WC022 Witzenberg - NOT REQUIRED - municipality does not have entities

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R million		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates		–	–	–	–	–	–	–	–	–
Service charges		–	–	–	–	–	–	–	–	–
Investment revenue		–	–	–	–	–	–	–	–	–
Transfers recognised - operational		–	–	–	–	–	–	–	–	–
Other own revenue		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	–	–	–	–	–	–	–	–
Employee costs		–	–	–	–	–	–	–	–	–
Remuneration of Board Members		–	–	–	–	–	–	–	–	–
Depreciation & asset impairment		–	–	–	–	–	–	–	–	–
Finance charges		–	–	–	–	–	–	–	–	–
Materials and bulk purchases		–	–	–	–	–	–	–	–	–
Transfers and grants		–	–	–	–	–	–	–	–	–
Other expenditure		–	–	–	–	–	–	–	–	–
Total Expenditure		–	–	–	–	–	–	–	–	–
Surplus/(Deficit)		–	–	–	–	–	–	–	–	–
Capital expenditure & funds sources										
Capital expenditure										
Transfers recognised - capital		–	–	–	–	–	–	–	–	–
Public contributions & donations		–	–	–	–	–	–	–	–	–
Borrowing		–	–	–	–	–	–	–	–	–
Internally generated funds		–	–	–	–	–	–	–	–	–
Total sources		–	–	–	–	–	–	–	–	–
Financial position										
Total current assets		–	–	–	–	–	–	–	–	–
Total non current assets		–	–	–	–	–	–	–	–	–
Total current liabilities		–	–	–	–	–	–	–	–	–
Total non current liabilities		–	–	–	–	–	–	–	–	–
Equity		–	–	–	–	–	–	–	–	–
Cash flows										
Net cash from (used) operating		–	–	–	–	–	–	–	–	–
Net cash from (used) investing		–	–	–	–	–	–	–	–	–
Net cash from (used) financing		–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end		–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand

References

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1. Number	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2. R thousand

1. Total agreement period from commencement until end

2. Annual value

WC022 Witzenberg - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework			Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Forecast 2029/30	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
None														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
None														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
None														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		97 959	41 434	53 709	28 259	28 948	28 948	73 717	46 555	13 591
Roads Infrastructure		35 398	4 819	18 254	2 806	2 806	2 806	13 417	935	1 565
Roads		35 398	4 669	18 104	1 786	1 786	1 786	12 547	–	1 565
Road Structures		–	150	150	1 020	1 020	1 020	870	935	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	1 789	12 088	3 391	3 263	3 263	13 819	–	–
Drainage Collection		–	–	12 088	–	–	–	–	–	–
Storm water Conveyance		–	1 789	–	3 391	3 263	3 263	13 819	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		32 779	1 404	5 778	3 430	3 865	3 865	–	4 565	4 000
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	288	4 217	2 609	3 043	3 043	–	3 000	4 000
LV Networks		32 779	1 116	1 560	821	821	821	–	1 565	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		34 439	21 621	9 529	16 931	15 214	15 214	26 896	28 670	8 026
Dams and Weirs		–	61	2 529	16 931	15 214	15 214	16 931	17 391	–
Boreholes		–	772	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	11 279	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	14 509	–	–	–	–	476	–	8 026
Distribution		34 439	6 095	7 000	–	–	–	9 489	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	184	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation Infrastructure		(4 657)	11 172	7 457	700	1 300	1 300	10 228	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		(4 657)	11 172	7 457	–	–	–	10 228	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	700	1 300	1 300	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	629	603	1 000	2 500	2 500	9 356	12 384	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	629	603	–	501	501	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	1 000	1 998	1 998	9 356	12 384	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Community Assets		1 185	1 093	983	–	1 577	1 577	30	311	11 675
Community Facilities		–	318	549	–	1 577	1 577	–	311	11 645
Halls		–	38	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	174	6 826
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	186	–	–	–	–	–	137	4 819
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	74	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	20	549	–	1 577	1 577	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		1 185	774	434	–	–	–	30	–	30
Indoor Facilities		–	–	434	–	–	–	–	–	–
Outdoor Facilities		1 185	774	–	–	–	–	30	–	30
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		1 222	2 914	–	330	330	330	–	–	–
Operational Buildings		1 222	2 914	–	330	330	330	–	–	–
Municipal Offices		136	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		1 086	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	2 234	–	330	330	330	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	680	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	188	527	200	576	576	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	188	527	200	576	576	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	188	527	200	576	576	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Computer Equipment		–	452	1 215	550	666	666	450	–	600
Computer Equipment		–	452	1 215	550	666	666	450	–	600
Furniture and Office Equipment		777	1 121	693	476	523	523	–	–	–
Furniture and Office Equipment		777	1 121	693	476	523	523	–	–	–
Machinery and Equipment		1 845	1 717	1 503	3 635	6 452	6 452	430	–	80
Machinery and Equipment		1 845	1 717	1 503	3 635	6 452	6 452	430	–	80
Transport Assets		7 474	3 181	1 971	1 082	4 818	4 818	–	–	800
Transport Assets		7 474	3 181	1 971	1 082	4 818	4 818	–	–	800
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	110 462	52 099	60 600	34 532	43 890	43 890	74 627	46 866	26 747

WC022 Witzenberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		4 402	9 637	14 996	9 500	9 915	9 915	4 300	–	5 000
Roads Infrastructure		4 402	4 051	11 421	5 000	5 000	5 000	1 800	–	2 000
Roads		4 402	4 051	11 421	5 000	5 000	5 000	1 800	–	2 000
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	2 428	–	1 200	1 163	1 163	–	–	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	2 428	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	1 200	1 163	1 163	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	360	1 200	1 000	918	918	500	–	1 500
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	360	1 200	1 000	918	918	500	–	1 500
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation Infrastructure		–	2 799	2 376	2 300	2 834	2 834	2 000	–	1 500
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	1 949	1 026	1 200	1 425	1 425	500	–	1 500
Waste Water Treatment Works		–	850	1 350	1 100	1 409	1 409	1 500	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Community Assets		503	708	380	900	1 338	1 338	–	–	–
Community Facilities		291	451	90	900	1 338	1 338	–	–	–
Halls		291	451	90	900	1 338	1 338	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		213	257	290	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		213	257	290	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	471	21	1 500	1 500	1 500	600	–	–
Operational Buildings		–	113	21	1 500	1 500	1 500	600	–	–
Municipal Offices		–	113	21	1 500	1 500	1 500	600	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	359	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	359	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		19	–	–	–	–	–	–	–	–
Furniture and Office Equipment		19	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	427	–	–	–	–	–	–
Machinery and Equipment		–	–	427	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	4 924	10 816	15 824	11 900	12 753	12 753	4 900	–	5 000
Renewal of Existing Assets as % of total capex		*-3407.8%*	*16.9%*	*18.3%*	*16.6%*	*15.7%*	*15.7%*	*5.5%*	*0.0%*	*13.0%*
Renewal of Existing Assets as % of deprecn"		*18.7%*	*37.7%*	*52.0%*	*26.1%*	*28.0%*	*28.0%*	*12.0%*	*0.0%*	*11.7%*

WC022 Witzenberg - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		17 344	14 948	15 254	12 633	12 436	12 436	14 259	14 955	15 658
Roads Infrastructure		6 812	6 975	6 921	6 537	6 537	6 537	6 864	7 182	7 542
Roads		5 952	6 327	6 101	5 708	5 708	5 708	5 994	6 272	6 586
Road Structures		368	–	–	–	–	–	–	–	–
Road Furniture		492	648	821	828	828	828	870	911	956
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		1 370	2 408	2 207	1 394	1 394	1 394	2 044	2 130	2 224
Drainage Collection		–	491	504	–	–	–	–	–	–
Storm water Conveyance		1 370	1 917	1 703	1 394	1 394	1 394	2 044	2 130	2 224
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3 757	1 090	1 297	1 458	1 807	1 807	1 931	2 059	2 129
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	53	344	76	14	14	80	84	88
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	452	207	718	913	913	754	791	831
MV Switching Stations		–	66	10	51	0	0	53	56	59
MV Networks		3 565	423	303	341	759	759	758	829	838
LV Networks		192	96	433	271	121	121	285	299	314
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		2 170	2 471	1 457	1 209	756	756	1 270	1 329	1 395
Dams and Weirs		–	33	116	195	95	95	205	214	225
Boreholes		–	154	165	140	74	74	147	154	162
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	125	110	47	47	47	49	51	54
Water Treatment Works		–	48	110	93	93	93	98	103	108
Bulk Mains		–	527	394	381	158	158	400	419	440
Distribution		2 170	1 481	490	289	289	289	303	317	333
Distribution Points		–	51	55	47	–	–	49	51	54
PRV Stations		–	51	17	18	–	–	18	19	20
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation Infrastructure		3 236	2 005	3 371	2 035	1 942	1 942	2 151	2 255	2 367
Pump Station		1 630	–	–	–	–	–	–	–	–
Reticulation		617	684	1 426	617	597	597	648	679	713
Waste Water Treatment Works		988	1 241	1 946	1 346	1 273	1 273	1 413	1 480	1 554
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	79	–	72	72	72	90	95	100
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Community Assets		406	989	851	941	827	827	981	1 026	1 077
Community Facilities		9	565	491	616	514	514	581	607	637
Halls		–	235	200	142	142	142	149	156	163
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	15	3	4	4	4	38	38	40
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	5	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	120	19	92	52	52	(3)	(3)	(3)
Cemeteries/Crematoria		9	24	39	119	119	119	125	131	137
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	94	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	109	86	196	196	196	205	216	226
Markets		–	63	46	64	2	2	67	70	74
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		397	424	360	325	312	312	400	419	440
Indoor Facilities		–	–	–	225	212	212	295	309	325
Outdoor Facilities		397	424	360	100	100	100	105	110	115
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		2 628	361	523	548	722	722	495	526	559
Operational Buildings		2 628	230	410	398	572	572	338	361	386
Municipal Offices		2 630	230	410	398	572	572	338	361	386
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		(3)	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	131	113	149	149	149	157	165	173
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	131	113	149	149	149	157	165	173
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Computer Equipment		444	156	131	313	243	243	328	345	362
Computer Equipment		444	156	131	313	243	243	328	345	362
Furniture and Office Equipment		424	10	23	35	20	20	37	39	41
Furniture and Office Equipment		424	10	23	35	20	20	37	39	41
Machinery and Equipment		311	322	110	258	269	269	271	283	297
Machinery and Equipment		311	322	110	258	269	269	271	283	297
Transport Assets		1 444	2 100	1 443	1 714	1 808	1 808	1 912	2 282	2 357
Transport Assets		1 444	2 100	1 443	1 714	1 808	1 808	1 912	2 282	2 357
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	23 001	18 886	18 336	16 442	16 324	16 324	18 282	19 454	20 350
R&M as a % of PPE		*2.8%*	*2.2%*	*2.0%*	*1.7%*	*1.7%*	*1.7%*	*1.9%*	*1.9%*	*1.9%*
R&M as % Operating Expenditure		*4.5%*	*3.7%*	*3.4%*	*2.5%*	*2.4%*	*2.4%*	*3.9%*	*2.9%*	*2.8%*

WC022 Witzenberg - Supporting Table SA34d Depreciation by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation by Asset Class/Sub-class										
Infrastructure		20 110	17 844	15 826	27 831	27 831	27 831	24 358	25 675	25 675
Roads Infrastructure		3 468	4 178	4 191	6 678	6 678	6 678	4 964	5 231	5 231
Roads		3 468	4 178	4 191	2 499	2 499	2 499	534	558	558
Road Structures		–	–	–	2 089	2 089	2 089	2 215	2 337	2 337
Road Furniture		–	–	–	2 089	2 089	2 089	2 215	2 337	2 337
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		698	1 235	1 199	1 870	1 870	1 870	1 982	2 091	2 091
Drainage Collection		698	1 235	1 199	453	453	453	480	507	507
Storm water Conveyance		–	–	–	963	963	963	1 021	1 077	1 077
Attenuation		–	–	–	453	453	453	480	507	507
Electrical Infrastructure		2 356	2 250	2 409	3 498	3 498	3 498	3 708	3 912	3 912
Power Plants		2 356	2 250	–	–	–	–	–	–	–
HV Substations		–	–	–	424	424	424	450	474	474
HV Switching Station		–	–	–	424	424	424	450	474	474
HV Transmission Conductors		–	–	–	424	424	424	450	474	474
MV Substations		–	–	–	424	424	424	450	474	474
MV Switching Stations		–	–	–	424	424	424	450	474	474
MV Networks		–	–	2 336	529	529	529	561	591	591
LV Networks		–	–	73	424	424	424	450	474	474
Capital Spares		–	–	–	424	424	424	450	474	474
Water Supply Infrastructure		3 372	4 022	4 402	6 412	6 412	6 412	5 928	6 249	6 249
Dams and Weirs		3 372	4 022	–	364	364	364	386	407	407
Boreholes		–	–	–	364	364	364	386	407	407
Reservoirs		–	–	844	364	364	364	386	407	407
Pump Stations		–	–	104	364	364	364	386	407	407
Water Treatment Works		–	–	–	364	364	364	386	407	407
Bulk Mains		–	–	–	1 148	1 148	1 148	100	100	100
Distribution		–	–	3 454	1 148	1 148	1 148	1 300	1 371	1 371
Distribution Points		–	–	–	1 148	1 148	1 148	1 300	1 371	1 371
PRV Stations		–	–	–	1 148	1 148	1 148	1 300	1 371	1 371
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation Infrastructure		3 867	3 952	3 492	6 954	6 954	6 954	6 122	6 453	6 453
Pump Station		3 867	3 952	141	1 273	1 273	1 273	100	100	100
Reticulation		–	–	136	1 273	1 273	1 273	1 349	1 424	1 424
Waste Water Treatment Works		–	–	3 215	1 273	1 273	1 273	1 349	1 424	1 424
Outfall Sewers		–	–	–	1 273	1 273	1 273	1 349	1 424	1 424
Toilet Facilities		–	–	–	1 862	1 862	1 862	1 974	2 082	2 082
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		6 350	2 207	–	2 420	2 420	2 420	1 654	1 740	1 740
Landfill Sites		6 350	2 207	–	1 237	1 237	1 237	100	100	100
Waste Transfer Stations		–	–	–	237	237	237	311	328	328
Waste Processing Facilities		–	–	–	237	237	237	311	328	328
Waste Drop-off Points		–	–	–	237	237	237	311	328	328
Waste Separation Facilities		–	–	–	237	237	237	311	328	328
Electricity Generation Facilities		–	–	–	237	237	237	311	328	328
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	132	–	–	–	–	–	–
Data Centres		–	–	132	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Community Assets		1 695	1 844	2 086	3 637	3 637	3 637	3 856	4 068	4 068
Community Facilities		1 447	1 844	882	1 859	1 859	1 859	1 971	2 079	2 079
Halls		357	1 844	–	1 272	1 272	1 272	1 348	1 422	1 422
Centres		–		47	–	–	–	–	–	–
Crèches		–		–	–	–	–	–	–	–
Clinics/Care Centres		–		–	–	–	–	–	–	–
Fire/Ambulance Stations		327		4	–	–	–	–	–	–
Testing Stations		–		–	–	–	–	–	–	–
Museums		–		–	–	–	–	–	–	–
Galleries		–		–	–	–	–	–	–	–
Theatres		–		–	–	–	–	–	–	–
Libraries		436		164	344	344	344	365	385	385
Cemeteries/Crematoria		–		5	11	11	11	12	13	13
Police		–		–	–	–	–	–	–	–
Parks		327		–	–	–	–	–	–	–
Public Open Space		–		7	232	232	232	246	260	260
Nature Reserves		–		–	–	–	–	–	–	–
Public Ablution Facilities		1		626	–	–	–	–	–	–
Markets		–		29	–	–	–	–	–	–
Stalls		–		–	–	–	–	–	–	–
Abattoirs		–		–	–	–	–	–	–	–
Airports		–		1	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–		–	–	–	–	–	–	–
Capital Spares		–		–	–	–	–	–	–	–
Sport and Recreation Facilities		248	–	1 204	1 778	1 778	1 778	1 885	1 989	1 989
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		248		1 204	1 778	1 778	1 778	1 885	1 989	1 989
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Investment properties		–	–	281	663	663	663	703	742	742
Revenue Generating		–	–	–	332	332	332	352	371	371
Improved Property		–	–	–	166	166	166	176	185	185
Unimproved Property		–	–	–	166	166	166	176	185	185
Non-revenue Generating		–	–	281	332	332	332	352	371	371
Improved Property		–	–	281	166	166	166	176	185	185
Unimproved Property		–	–	–	166	166	166	176	185	185
Other assets		1 362	4 486	1 724	–	–	–	–	–	–
Operational Buildings		1 362	4 486	1 724	–	–	–	–	–	–
Municipal Offices		1 362	4 486	1 675	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	49	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		154	344	206	356	356	356	377	398	398
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		154	344	206	356	356	356	377	398	398
Water Rights		–	–	1	15	15	15	16	17	17
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		154	344	205	341	341	341	361	381	381
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Computer Equipment		254	1 023	704	2 300	2 300	2 300	2 436	2 581	2 581
Computer Equipment		254	1 023	704	2 300	2 300	2 300	2 436	2 581	2 581
Furniture and Office Equipment		2 673	1 235	308	550	550	550	588	630	630
Furniture and Office Equipment		2 673	1 235	308	550	550	550	588	630	630
Machinery and Equipment		32	1 922	1 123	1 356	1 356	1 356	1 427	1 505	1 505
Machinery and Equipment		32	1 922	1 123	1 356	1 356	1 356	1 427	1 505	1 505
Transport Assets		–	–	8 157	8 895	8 895	8 895	6 943	7 320	7 320
Transport Assets		–	–	8 157	8 895	8 895	8 895	6 943	7 320	7 320
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	26 280	28 699	30 415	45 590	45 590	45 590	40 688	42 918	42 918

WC022 Witzenberg - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		(639)	940	9 028	10 490	10 527	10 527	8 368	87 330	6 593
Roads Infrastructure		–	–	2 242	5 480	5 480	5 480	5 028	52 870	2 593
Roads		–	–	2 242	–	–	–	–	11 320	–
Road Structures		–	–	–	5 480	5 480	5 480	5 028	41 550	2 593
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	300	450	450	450	–	11 320	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	300	450	450	450	–	11 320	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	4 932	3 910	3 947	3 947	2 500	500	4 000
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	1 500	1 074	1 074	1 000	500	1 000
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	4 442	1 060	1 030	1 030	1 000	–	2 000
LV Networks		–	–	490	1 350	1 843	1 843	500	–	1 000
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	711	350	350	350	–	11 320	–
Dams and Weirs		–	–	711	–	–	–	–	–	–
Boreholes		–	–	–	–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	350	350	350	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	–	11 320	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Sanitation Infrastructure		(639)	940	844	300	300	300	840	11 320	–
Pump Station		–	–	844	–	–	–	–	–	–
Reticulation		(639)	940	–	–	–	–	–	11 320	–
Waste Water Treatment Works		–	–	–	300	300	300	840	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Community Assets		494	–	637	14 691	14 219	14 219	870	–	–
Community Facilities		494	–	–	1 750	2 148	2 148	–	–	–
Halls		494	–	–	50	48	48	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	1 500	1 900	1 900	–	–	–
Cemeteries/Crematoria		–	–	–	200	200	200	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	637	12 941	12 071	12 071	870	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	637	12 941	12 071	12 071	870	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	567	–	–	–	–	–	–
Machinery and Equipment		–	–	567	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets	1	(144)	940	10 232	25 181	24 746	24 746	9 237	87 330	6 593
Upgrading of Existing Assets as % of total capex		*0.0%*	*1.5%*	*11.8%*	*35.2%*	*30.4%*	*30.4%*	*10.4%*	*65.1%*	*17.2%*
Upgrading of Existing Assets as % of deprecn"		*-0.5%*	*3.3%*	*33.6%*	*55.2%*	*54.3%*	*54.3%*	*22.7%*	*203.5%*	*15.4%*

WC022 Witzenberg - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure	1			
Vote 1 - Financial Services		–	–	–
Vote 2 - Community Services		–	137	5 619
Vote 3 - Community Services		620	–	80
Vote 4 - Community Services		900	–	30
Vote 5 - Corporate Services		1 050	–	600
Vote 6 - Technical Services		49 442	81 683	22 484
Vote 7 - Technical Services		36 752	52 375	9 526
Vote 8 - Muncipal Manager		–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–
List entity summary if applicable				
Total Capital Expenditure		88 764	134 196	38 340
Future operational costs by vote	2			
Vote 1 - Financial Services		52 907	54 892	58 552
Vote 2 - Community Services		42 428	45 464	42 911
Vote 3 - Community Services		51 219	52 793	56 101
Vote 4 - Community Services		18 553	20 985	53 332
Vote 5 - Corporate Services		80 188	86 290	91 202
Vote 6 - Technical Services		285 488	280 931	372 601
Vote 7 - Technical Services		47 263	37 137	84 962
Vote 8 - Muncipal Manager		15 685	16 769	17 939
Vote 9 - [NAME OF VOTE 9]		–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–
List entity summary if applicable				
Total future operational costs		593 729	595 260	777 599

Vote Description R thousand	Ref	2020/21 Medium Term Revenue & Expenditure Framework		
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Future revenue by source	3			
Property rates		76 388	81 736	85 822
Service charges - electricity revenue		266 973	289 598	318 903
Service charges - water revenue		35 137	37 630	39 821
Service charges - sanitation revenue		18 352	19 453	20 425
Service charges - refuse revenue		21 271	22 547	23 547
Service charges - other		–	–	–
Rental of facilities and equipment		2 663	8 342	8 759
Interest earned - external investments		9 129	9 586	9 089
Interest earned - outstanding debtors		8 264	8 677	9 111
Dividends received		–	–	–
Fines, penalties and forfeits		20 456	21 479	22 553
Licences and permits		2 010	2 111	2 216
Agency services		3 854	4 046	4 249
Transfers and subsidies		116 989	125 089	166 900
Other revenue		9 240	11 847	9 632
Gains		(0)	(0)	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		78 716	120 459	28 167
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–
List entity summary if applicable				
Total future revenue		669 441	762 599	749 194
Net Financial Implications		13 052	(33 143)	66 744

WC022 Witzenberg - Supporting Table SA36 Detailed capital budget

R thousand

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	2020/21 Medium Term Revenue & Expenditure Framework: Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality:																
List all capital projects grouped by Function																
Core Function:Community Parks (including N	CAPEX: cherry picker	PC002003010000000000000000000000000342				Communal Services	*Transport Assets*	*Transport Assets*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	1 461	–	–	–	–
Core Function:Electricity	CAPEX: Replacement outdated switchgear a	PC001001001001005000000000000000000367				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Electricity	Capex 11 Kv Ring Supply Stanlet/Rand	PC001002001002000000000000000000000260				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	Ward:Wolseley	-33.415126	*19.199439*	–	–	–	–	–
Core Function:Electricity	Capex Electrical Network Replacement	PC001001001001007000000000000000000259				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	1 163	–	–	–
Core Function:Electricity	Capex Electrical Network Housing Project	PC001002001007000000000000000000000257				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	4 217	3 043	–	–	–
Core Function:Water Distribution	Capex Ceres: Vredebes New Bulk Water	PC001002004007000000000000000000000410				Essential Services	*Water Supply Infrastructure*	*Water Supply Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Sewerage	Capex Vredebes Housing Sanitation	PC001002005002000000000000000000000381				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	7 000	–	–	–	–
Core Function:Sewerage	Capex Aerator replacement programme	PC001001001005003000000000000000000354				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	625	809	–	–	–
Core Function:Solid Waste Removal	Capex Transfer Stations & Related Infrastruc	PC001002002002000000000000000000000409				Essential Services	*Solid Waste Infrastructure*	*Solid Waste Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Parks (including N	Capex CHAINSAWS	PC002003009000000000000000000000000372				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	38	44	–	–	–
Core Function:Community Parks (including N	Capex Plant & Equipment	PC002003009000000000000000000000000255				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	72	–	–	–	–
Core Function:Community Parks (including N	CAPEX: MOBILE TOILETS	PC002003009000000000000000000000000338				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Parks (including N	Capex BESPROEIINGSTOERUSTING(PYP	PC002003009000000000000000000000000385				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Parks (including N	CAPEX: containers x2	PC002003009000000000000000000000000339				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	40	–	–	–
Core Function:Community Parks (including N	CAPEX: SLASHER X2	PC002003009000000000000000000000000336				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Parks (including N	Capex BESPROEIINGSTOERUSTING	PC002003009000000000000000000000000388				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Parks (including N	Capex BLOWER MOWER	PC002003009000000000000000000000000374				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Parks (including N	Capex BRUSHCUTTERS	PC002003009000000000000000000000000369				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	93	36	–	–	–
Core Function:Community Halls and Facilitie	EQUIPMENT: E.G. BUFF MASJIEN, VACU	PC002003009000000000000000000000000265				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	39	–	–	–	–
Core Function:Finance	Capex Insurance Replacements	PC002003009000000000000000000000000247				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	9	50	–	–	–
Core Function:Marketing, Customer Relation	CAPEX: Camera and photographic equimen	PC002003005000000000000000000000000360				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	24	–	–	–	–
Core Function:Marketing, Customer Relation	CAPEX: Access Control - Furniture and Equ	PC002003005000000000000000000000000361				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	20	100	–	–	–
Core Function:Roads	CAPEX: New taxi facility at the corner of Vos	PC002003002001002000000000000000000393				Essential Services	*Roads Infrastructure*	*Roads Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex AIRCONS STADSAAL CERES	PC002002001002001001000000000000000352				Communal Services	*Community Assets*	*Community Assets*	Ward:Ceres	-33.349439	*19.327236*	–	500	–	–	–
Core Function:Community Halls and Facilitie	Capex TULBAGH STADSAAL	PC002002001002001001000000000000000356				Communal Services	*Community Assets*	*Community Assets*	Ward:Tulbagh	-33.28745	*19.14216*	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex CERES STADSAAL: VERVANG 650	PC002002001002001001000000000000000346				Communal Services	*Community Assets*	*Community Assets*	Ward:Ceres	-33.349439	*19.327236*	–	238	–	–	–
Core Function:Community Parks (including N	Capex SPEELAPPARATE PARKE	PC002003002002002000000000000000000391				Communal Services	*Community Assets*	*Community Assets*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Water Distribution	Capex Boreholes Morisdale Park	PC001002004002000000000000000000000431				Essential Services	*Water Supply Infrastructure*	*Water Supply Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex Op-Die-Berg Hall	PC002003002001001000000000000000000428				Communal Services	*Community Assets*	*Community Assets*	Ward:Op-die-Berg	-33.023155	*19.310162*	–	–	–	–	–
Core Function:Community Parks (including N	Capex Morisdale Park Equipment	PC002003002001014000000000000000000430				Communal Services	*Community Assets*	*Community Assets*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Police Forces, Traffic and Stre	Capex Test Centre	PC002003003001008000000000000000000427				Communal Services	*Other Assets*	*Other Assets*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	330	–	–	–
Core Function:Water Distribution		PC002003007003000000000000000000000268				Essential Services	*Other*	*Other*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	527	–	–	–	–
Core Function:Recreational Facilities	Capex Eiland Swimming Pool	PC002003002002002000000000000000000414				Communal Services	*Community Assets*	*Community Assets*	Ward:Wolseley	-33.415126	*19.199439*	88	–	–	–	–
Core Function:Solid Waste Removal	Capex Transfer stations and related infrastru	PC001002002002000000000000000000000371				Essential Services	*Solid Waste Infrastructure*	*Solid Waste Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	501	–	–	–
Core Function:Roads	CAPEX: Vredebes Acces Collector	PC001002006001000000000000000000000390				Essential Services	*Roads Infrastructure*	*Roads Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	10 361	–	–	–	–
Core Function:Water Distribution	Capex Tools & Equipment- New	PC002003009000000000000000000000000377				Essential Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	100	326	–	–	–
Core Function:Solid Waste Removal	Capex Vehicle Replacement Programme	PC002003010000000000000000000000000426				Essential Services	*Transport Assets*	*Transport Assets*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	3 573	–	–	–
Core Function:Finance	Capex Office Equipment	PC002003005000000000000000000000000399				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	85	30	–	–	–
Core Function:Sewerage	Capex Ceres Vredebes New Bulk Sanitation	PC001002005002000000000000000000000383				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Sewerage	Capex Refurbishment WWTW	PC001001001005003000000000000000000357				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	725	600	–	–	–
Core Function:Public Toilets	Capex Op Die Berg Public Toilets	PC001002005005000000000000000000000411				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	Ward:Op-die-Berg	-33.023155	*19.310162*	–	1 300	–	–	–
Core Function:Roads	Capex Network Street	PC001001001006001000000000000000000362				Essential Services	*Roads Infrastructure*	*Roads Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	269	2 000	–	–	–
Core Function:Electricity	CAPEX: Power Factor Correction	PC001001001001005000000000000000000370				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	PC002003005000000000000000000000000401				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	217	55	–	–	–
Core Function:Storm Water Management	Capex Vredebes Housing Storm water	PC001002007002000000000000000000000386				Essential Services	*Storm water Infrastructure*	*Storm water Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	4 000	–	–	–	–
Core Function:Community Parks (including N	CAPEX: SPREILIGTE PINE VALLEY	PC002003002002002000000000000000000341				Communal Services	*Community Assets*	*Community Assets*	Ward:Wolseley	-33.415126	*19.199439*	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex PAH STADSAAL	PC002002001002001001000000000000000359				Communal Services	*Community Assets*	*Community Assets*	Ward:PA Hamlet	-33.282968	*19.320809*	–	–	–	–	–
Core Function:Pollution Control	Capex AANKOOP VAN GROND EN OPRIG	PC002003002001014000000000000000000398				Communal Services	*Other Assets*	*Other Assets*	Ward:Tulbagh	-33.28745	*19.14216*	–	–	–	–	–
Core Function:Street Lighting and Signal Sys	CAPEX: Housing Projects Streetlights	PC001002001008000000000000000000000397				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Information Technology	CAPEX: It Equipment	PC002003004000000000000000000000000358				Governance	*Computer Equipment*	*Computer Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	634	666	–	–	–
Core Function:Community Parks (including N	Capex KRUIPSPUITE	PC002003009000000000000000000000000364				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Solid Waste Removal	Capex Vehicle Replacement Programme	PC002003010000000000000000000000000337				Essential Services	*Transport Assets*	*Transport Assets*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	509	–	–	–	–
Core Function:Water Distribution	Capex Vredebes Housing Water	PC001002004007000000000000000000000392				Essential Services	*Water Supply Infrastructure*	*Water Supply Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	7 000	–	–	–	–
Core Function:Recreational Facilities	Capex Fencing - Pine Forest	PC002003002002002000000000000000000415				Communal Services	*Community Assets*	*Community Assets*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Economic Development/Plann	Capex Skoonvlei Economic Hub	PC002003002001017000000000000000000412				Socio-Economic Support Services	*Community Assets*	*Community Assets*	Ward:Bella Vista	-33.329744	*19.318421*	491	1 577	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	PC002003005000000000000000000000000416				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	26	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	PC002003005000000000000000000000000403				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	18	30	–	–	–
Core Function:Sewerage	Capex Sewer Pumps-replacement	PC001001001005002000000000000000000396				Essential Services	*Machinery and Equipment*	*Machinery and Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	274	243	–	–	–
Core Function:Community Parks (including N	CAPEX: KRAG OP DIE BERG SPORTGRO	PC002003002002002000000000000000000344				Communal Services	*Community Assets*	*Community Assets*	Ward:Op-die-Berg	-33.023155	*19.310162*	–	–	–	–	–
Core Function:Community Halls and Facilitie	VERHOOGGORDYNE : BELLA VISTA	PC002002001002001001000000000000000326				Communal Services	*Community Assets*	*Community Assets*	Ward:Bella Vista	-33.329744	*19.318421*	–	–	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	PC002003005000000000000000000000000402				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	41	45	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	PC002003005000000000000000000000000400				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	27	98	–	–	–
Core Function:Water Distribution	Capex Telemetric Systems	PC001002004009000000000000000000000375				Essential Services	*Water Supply Infrastructure*	*Water Supply Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Marketing, Customer Relation	Capex Signage & Billboards	PC002003005000000000000000000000000256				Governance	*Furniture and Office Equipment*	*Furniture and Office Equipment*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	103	140	–	–	–
Core Function:Community Parks (including N	Capex SOKKERNETTE	PC002003002002002000000000000000000378				Communal Services	*Community Assets*	*Community Assets*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex Opgradering van Stadsaal	PC002002001002001001000000000000000254				Communal Services	*Community Assets*	*Community Assets*	Ward:Ceres	-33.349439	*19.327236*	–	600	–	–	–
Core Function:Sewerage	Capex Sewer Network Replacement	PC001001001005002000000000000000000262				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	WC022 Witzenberg:Whole of the Municipalit	-33.349439	*19.327236*	1 026	1 082	–	–	–
Core Function:Sewerage	CAPEX: Vredebes Bulk Sanitation	PC001002005002000000000000000000000384				Essential Services	*Sanitation Infrastructure*	*Sanitation Infrastructure*	Ward:Ceres	-33.349439	*19.327236*	–	–	–	–	–

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Core Function:Roads	Capex Vredebes Housing Roads	PC001002006001000000000000000000000389				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:Ceres	-33.349439	19.327236	7 744	–	–	–	–
Core Function:Water Distribution	Capex Security upgrades	PC001001002004005000000000000000000379				Essential Services	Water Supply Infrastructure	Water Supply Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	711	350	–	–	–
Core Function:Sewerage	Capex Security upgrades	PC001001002005003000000000000000000351				Essential Services	Sanitation Infrastructure	Sanitation Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	844	300	–	–	–
Core Function:Roads	Capex Rehabilitation - Streets Tulbagh	PC001001001006001000000000000000000365				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:Tulbagh	-33.28745	19.14216	11 152	–	–	–	–
Core Function:Fleet Management	Capex Tools & Equipment	PC002003009000000000000000000000000348				Essential Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	68	1 757	–	–	–
Core Function:Electricity	CAPEX: Tools & Equipment	PC002003009000000000000000000000000363				Essential Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	102	160	–	–	–
Core Function:Community Halls and Facilitie	Capex GASHEATERS CERES	PC002003009000000000000000000000000349				Communal Services	Machinery and Equipment	Machinery and Equipment	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Roads	Capex Traffic Calming	PC001002006002000000000000000000000264				Essential Services	Roads Infrastructure	Roads Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	150	150	–	–	–
Non-core Function:Housing	Capex Fencing Maple Park	PC002002001003002002000000000000000323				Socio-Economic Support Services	Other Assets	Other Assets	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Administrative and Corporate	CAPEX: Upgrade Council chambers	PC002002001003001001000000000000000355				Governance	Other Assets	Other Assets	Ward:Ceres	-33.349439	19.327236	21	1 500	–	–	–
Core Function:Roads	CAPEX: Fire Arms	PC002003009000000000000000000000000353				Communal Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	165	–	–	–
Core Function:Community Parks (including N	CAPEX: RESURFACE NETBALL COURTS	PC002002001002002002000000000000000350				Communal Services	Community Assets	Community Assets	Ward:Wolseley	-33.415126	19.199439	290	–	–	–	–
Core Function:Community Parks (including N	CAPEX: 1.3 T TRUCK	PC002003010000000000000000000000000340				Communal Services	Transport Assets	Transport Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	523	–	–	–
Core Function:Community Halls and Facilitie	Capex VERHOOGGORDYNE : TULBAGH S	PC002002001002001001000000000000000347				Communal Services	Community Assets	Community Assets	Ward:Tulbagh	-33.28745	19.14216	90	–	–	–	–
Core Function:Roads	Capex Digger loaders	PC002003009000000000000000000000000266				Essential Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	991	–	–	–	–
Core Function:Recreational Facilities	Capex Plant & Equipment	PC002003009000000000000000000000000251				Communal Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	145	–	–	–	–
Core Function:Community Parks (including N	Capex FENCING GRAVEYARDS	PC002003002001011000000000000000000380				Communal Services	Community Assets	Community Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex OPGRADEER MONTANASAAL: WO	PC002002001002001001000000000000000343				Communal Services	Community Assets	Community Assets	Ward:Wolseley	-33.415126	19.199439	–	–	–	–	–
Core Function:Water Distribution	Capex Network- Water Pipes & Valve Repla	PC001001001004007000000000000000000272				Essential Services	Water Supply Infrastructure	Water Supply Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	1 200	918	–	–	–
Core Function:Community Halls and Facilitie	BUFFMASJIEN WITZENVILLE SAAL	PC002003009000000000000000000000000325				Communal Services	Machinery and Equipment	Machinery and Equipment	Ward:Tulbagh	-33.28745	19.14216	–	–	–	–	–
Core Function:Community Halls and Facilitie	3X3 M CONTAINER	PC002003009000000000000000000000000249				Communal Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	500	–	–	–
Core Function:Storm Water Management	Capex Network - Storm Water Upgrading	PC001001002007002000000000000000000263				Essential Services	Storm water Infrastructure	Storm water Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	300	450	–	–	–
Core Function:Fleet Management	Capex Tools & Equipment	PC002003009000000000000000000000000261				Essential Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Recreational Facilities	Capex Furniture & Equipment for Chalets	PC002002001002002002000000000000000324				Communal Services	Community Assets	Community Assets	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Recreational Facilities	Capex Furniture & Equipment	PC002003005000000000000000000000000250				Communal Services	Furniture and Office Equipment	Furniture and Office Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Finance	Capex IT Equipment	PC002003004000000000000000000000000248				Governance	Computer Equipment	Computer Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	581	–	–	–	–
Core Function:Water Distribution	Capex Ceres: Bella Vista New Bulk Water	PC001002004006000000000000000000000269				Essential Services	Outsourced	Outsourced	Ward:Bella Vista	-33.329744	19.318421	–	–	–	–	–
Core Function:Water Distribution	Capex Tulbagh Dam	PC001002004001000000000000000000000271				Essential Services	Outsourced	Outsourced	Ward:Tulbagh	-33.28745	19.14216	2 529	15 214	–	–	–
Core Function:Water Distribution	Vredebes Bulk Water Supply	PC001002004006000000000000000000000273				Essential Services	Outsourced	Outsourced	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Water Distribution	Capex Ceres: Bella Vista Bulk Water	PC001002004006000000000000000000000267				Essential Services	Outsourced	Outsourced	Ward:Bella Vista	-33.329744	19.318421	–	–	–	–	–
Core Function:Water Distribution	Capex Ceres: Vredebes New Bulk Water	PC001002004006000000000000000000000270				Essential Services	Outsourced	Outsourced	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Finance	Capex Computer Equipment	PC002003004000000000000000000000000432				Governance	Computer Equipment	Computer Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Water Distribution	Capex Drought Relief - Boreholes at Tulbagh	PC001002004002000000000000000000000429				Essential Services	Water Supply Infrastructure	Water Supply Infrastructure	Ward:Tulbagh	-33.28745	19.14216	–	–	–	–	–
Core Function:Electricity	Capex Fencing Wolseley Stores	PC002003003001005000000000000000000433				Essential Services	Other Assets	Other Assets	Ward:Wolseley	-33.415126	19.199439	–	–	–	–	–
Core Function:Street Lighting and Signal Sys	Capex Streetlights	PC001002001008000000000000000000000258				Essential Services	Electrical Infrastructure	Electrical Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Electricity	Capex MV Substation Equipment	PC001001002001005000000000000000000454				Essential Services	Electrical Infrastructure	Electrical Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	701	1 250	–	–	–
Core Function:Electricity	Capex Upgrade of LV Network Cables	PC001001002001008000000000000000000455				Essential Services	Electrical Infrastructure	Electrical Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	1 396	1 287	–	–	–
Core Function:Electricity	Capex MV Network Equipment	PC001001002001007000000000000000000453				Essential Services	Electrical Infrastructure	Electrical Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	2 345	1 000	–	–	–
Core Function:Street Lighting and Signal Sys	Capex Upgrade of Streetlights	PC001001002001008000000000000000000458				Essential Services	Electrical Infrastructure	Electrical Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	490	350	–	–	–
Core Function:Street Lighting and Signal Sys	Capex Vredebes Streetlights	PC001002001008000000000000000000000452				Essential Services	Electrical Infrastructure	Electrical Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	1 560	821	–	–	–
Core Function:Water Distribution	Capex Nduli Housing Water	PC001002004007000000000000000000000437				Essential Services	Water Supply Infrastructure	Water Supply Infrastructure	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Sewerage	Capex Nduli Housing Sanitation	PC001002005002000000000000000000000435				Essential Services	Sanitation Infrastructure	Sanitation Infrastructure	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Solid Waste Disposal (Landfill	Capex New Material Recovery Facility/Drop	PC001002002005000000000000000000000449				Essential Services	Solid Waste Infrastructure	Solid Waste Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	603	1 870	–	–	–
Core Function:Fire Fighting and Protection	Capex Fire Fighting Equipment	PC002003009000000000000000000000000460				Communal Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	275	–	–	–
Core Function:Electricity	Capex Upgrade of MV Cables	PC001001002001007000000000000000000456				Essential Services	Machinery and Equipment	Machinery and Equipment	Ward:Wolseley	-33.415126	19.199439	567	60	–	–	–
Core Function:Recreational Facilities	Capex Furniture Chalets	PC002003002002001000000000000000000451				Communal Services	Furniture and Office Equipment	Furniture and Office Equipment	Ward:Ceres	-33.349439	19.327236	148	–	–	–	–
Core Function:Roads	Capex Nduli Housing Roads	PC001002006001000000000000000000000434				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Roads	Capex Upgrade pavement Vosstr from Retie	PC001001002006002000000000000000000442				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:Ceres	-33.349439	19.327236	–	4 008	–	–	–
Core Function:Roads	Capex Upgrade Van Breda Bridge	PC001001002006002000000000000000000439				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:Ceres	-33.349439	19.327236	2 242	972	–	–	–
Core Function:Roads	Capex Pedestrian Route along R46/Nduli	PC001002006002000000000000000000000441				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:N'duli	-33.356148	19.343961	–	870	–	–	–
Core Function:Roads	Capex New Vredesbes/Nduli St Intersection	PC001002006001000000000000000000000448				Essential Services	Roads Infrastructure	Roads Infrastructure	Ward:N'duli	-33.356148	19.343961	–	–	–	–	–
Core Function:Storm Water Management	Capex Nduli Housing Storm Water	PC001002007002000000000000000000000436				Essential Services	Storm water Infrastructure	Storm water Infrastructure	Ward:Ceres	-33.349439	19.327236	–	–	–	–	–
Core Function:Storm Water Management	Capex Vredebes New Storm water Channel	PC001002007002000000000000000000000459				Essential Services	Storm water Infrastructure	Storm water Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	8 088	3 391	–	–	–
Core Function:Water Distribution	Capex Infrastructure Management System	PC002003007002004000000000000000000268				Essential Services	Other	Other	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	576	–	–	–
Core Function:Fire Fighting and Protection	Capex Firefighting Response Vehicle	PC002003010000000000000000000000000468				Communal Services	Transport Assets	Transport Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	722	–	–	–
Core Function:Community Halls and Facilitie	Capex Irrigation Equipment For Parks	PC002003009000000000000000000000000467				Communal Services	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	1 000	–	–	–
Core Function:Roads	Capex Vredebes Ph1 Bus Route	PC001002006001000000000000000000000471				Essential Services	Roads Infrastructure	Roads Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	1 786	–	–	–
Core Function:Roads	Capex Pavement Upgrading	PC001001002006002000000000000000000480				Essential Services	Roads Infrastructure	Roads Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	500	–	–	–
Core Function:Libraries and Archives	CAPEX Upgrade John Steyn Library	PC002002002002001001000000000000000482				Communal Services	Community Assets	Community Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	1 900	–	–	–
Core Function:Roads	Capex Rehabilitation of Streets	PC001001001006001000000000000000000483				Essential Services	Roads Infrastructure	Roads Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	3 000	–	–	–
Core Function:Water Distribution	Capex Fencing	PC002003009000000000000000000000000472				Governance	Machinery and Equipment	Machinery and Equipment	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	2 099	–	–	–
Core Function:Cemeteries, Funeral Parlours	Capex Expanding of existing cemetery	PC002002002002001011000000000000000446				Communal Services	Community Assets	Community Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	200	–	–	–
Core Function:Community Parks (including N	Capex Recreational space with Landscaping	PC002003002001013000000000000000000443				Communal Services	Community Assets	Community Assets	Ward:N'duli	-33.356148	19.343961	–	–	–	–	–
Core Function:Cemeteries, Funeral Parlours	Capex New Regional Cemetery	PC002003002001011000000000000000000450				Communal Services	Community Assets	Community Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex Upgrade of Kononia Community Hall	PC002002002002001001000000000000000444				Communal Services	Community Assets	Community Assets	Ward:Bella Vista	-33.329744	19.318421	–	48	–	–	–
Core Function:Community Parks (including N	Capex Sportsground Development & Upgrad	PC002003002002002000000000000000000457				Communal Services	Community Assets	Community Assets	Ward:Ceres	-33.349439	19.327236	637	–	–	–	–
Core Function:Sports Grounds and Stadiums	Capex Upgrade of Leyell Str Sport facilities	PC002002002002002002000000000000000461				Communal Services	Community Assets	Community Assets	Ward:Ceres	-33.349439	19.327236	–	12 071	–	–	–
Core Function:Libraries and Archives	Capex Upgrade Wolseley Library	PC002002002002001010000000000000000440				Communal Services	Community Assets	Community Assets	Ward:Wolseley	-33.415126	19.199439	–	–	–	–	–
Core Function:Municipal Manager, Town Se	Capex Aankoop van Eiendom	PC002003003001001000000000000000000438				Governance	Other Assets	Other Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	–	–	–	–	–
Core Function:Water Distribution	CAPEX - Grey Water System	PC001002005003000000000000000000000463				Essential Services	Sanitation Infrastructure	Sanitation Infrastructure	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	457	–	–	–	–
Core Function:Sports Grounds and Stadiums	Capex Upgrade of Sport Facilities	PC002002002002002002000000000000000462				Communal Services	Community Assets	Community Assets	WC022 Witzenberg:Whole of the Municipalit	-33.349439	19.327236	346	–	–	–	–
Electricity	Capex MV Substation Equipment	PC001001002001005000000000000000000000				Essential Services	MV Substations	MV Substations	Whole of the Municipality	-33.349439	19.327236	–	–	1 000	500	1 000
Electricity	Capex Upgrade of LV Network Cables	PC001001002001008000000000000000000000				Essential Services	LV Networks	LV Networks	Whole of the Municipality	-33.349439	19.327236	–	–	500	–	1 000

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Information Technology	CAPEX: It Equipment	PC002030304000000000000000000000000000				Governance	*Computer Equipment*	*Computer Equipment*	Whole of the Municipality	-33.349439	*19.327236*	–	–	450	–	600
Roads	Capex Upgrade Van Breda Bridge	PC001001002006002000000000000000000000				Essential Services	*Road Structures*	*Road Structures*	Ceres	-33.349439	*19.327236*	–	–	5 028	41 550	2 593
Roads	Capex Nduli Housing Roads	PC001002006001000000000000000000000000				Essential Services	*Roads*	*Roads*	Ceres	-33.349439	*19.327236*	–	–	12 547	–	1 565
Sewerage	Capex Sewer Network Replacement	PC001001001005002000000000000000000000				Essential Services	*Reticulation*	*Reticulation*	Whole of the Municipality	-33.349439	*19.327236*	–	–	500	–	1 500
Sewerage	Capex Refurbishment WWTW	PC001001001005003000000000000000000000				Essential Services	*Waste Water Treatment Works*	*Waste Water Treatment Works*	Wolseley	-33.415126	*19.199439*	–	–	1 500	–	–
Community Halls and Facilities	EQUIPMENT: E.G. BUFF MASJIEN, VACU	PC002030309000000000000000000000000000				Communal Services	*Machinery and Equipment*	*Machinery and Equipment*	Whole of the Municipality	-33.349439	*19.327236*	–	–	430	–	80
Solid Waste Disposal (Landfill Sites)	Capex New Material Recovery Facility/Drop	PC001002002005000000000000000000000000				Essential Services	*Waste Separation Facilities*	*Waste Separation Facilities*	Whole of the Municipality	-33.349439	*19.327236*	–	–	9 356	12 384	–
Sewerage	Capex Security upgrades	PC001001002005003000000000000000000000				Essential Services	*Waste Water Treatment Works*	*Waste Water Treatment Works*	Whole of the Municipality	-33.349439	*19.327236*	–	–	840	–	–
Sewerage	CAPEX Vredebes Phase H Bulk sewerage p	PC001002005002000000000000000000000000				Essential Services	*Reticulation*	*Reticulation*	Ceres	-33.349439	*19.327236*	–	–	10 228	–	–
Storm Water Management	Capex Nduli Housing Storm Water	PC001002007002000000000000000000000000				Essential Services	*Storm water Conveyance*	*Storm water Conveyance*	Ceres	-33.349439	*19.327236*	–	–	13 819	–	–
Water Distribution	CAPEX Vredebes Phase H Bulk water pipeli	PC001002004006000000000000000000000000				Essential Services	*Bulk Mains*	*Bulk Mains*	Ceres	-33.349439	*19.327236*	–	–	476	–	8 026
Water Distribution	Capex Nduli Housing Water	PC001002004007000000000000000000000000				Essential Services	*Distribution*	*Distribution*	Ceres	-33.349439	*19.327236*	–	–	9 489	–	–
Mayor and Council	CAPEX: Upgrade Council chambers	PC002002001003001001000000000000000000				Governance	*Municipal Offices*	*Municipal Offices*	Ceres	-33.349439	*19.327236*	–	–	600	–	–
Sports Grounds and Stadiums	Capex Upgrade of Leyell Str Sport facilities	PC002002002002002002000000000000000000				Communal Services	*Outdoor Facilities*	*Outdoor Facilities*	Ceres	-33.349439	*19.327236*	–	–	870	–	–
Water Distribution	Capex Tulbagh Dam	PC001002004001000000000000000000000000				Essential Services	*Dams and Weirs*	*Dams and Weirs*	Tulbagh	-33.28745	*19.14216*	–	–	16 931	17 391	–
Electricity	Capex MV Network Equipment	PC001001002001007000000000000000000000				Essential Services	*MV Networks*	*MV Networks*	Whole of the Municipality	-33.349439	*19.327236*	–	–	1 000	–	2 000
Roads	Capex Network Street	PC001001001006001000000000000000000000				Essential Services	*Roads*	*Roads*	Whole of the Municipality	-33.349439	*19.327236*	–	–	1 800	–	2 000
Roads	CAPEX Tulbagh Steinthalweg walkways	PC001002006002000000000000000000000000				Essential Services	*Road Structures*	*Road Structures*	Tulbagh	-33.28745	*19.14216*	–	–	870	935	–
Sports Grounds and Stadiums	CAPEX Sportfield equipment	PC002003002002002000000000000000000000				Communal Services	*Outdoor Facilities*	*Outdoor Facilities*	Whole of the Municipality	-33.349439	*19.327236*	–	–	30	–	30
Water Distribution	Capex Network- Water Pipes & Valve Repla	PC001001001004007000000000000000000000				Essential Services	*Distribution*	*Distribution*	Whole of the Municipality	-33.349439	*19.327236*	–	–	500	–	1 500
Water Distribution	CAPEX Op-Die-Berg Reservoir	PC001002004003000000000000000000000000				Essential Services	*Water Supply Infrastructure*	*Water Storage*	Op-Die-Berg	-33.023155	*19.310162*	–	–	–	11 279	–
Community Halls and Facilities	Capex New Regional Cemetery	PC002003002001011000000000000000000000				Communal Services	*Community Assets*	*Cemetries*	Whole of the Municipality	-33.349439	*19.327236*	–	–	–	137	4 819
Sewerage	CAPEX Nduli Infill Internal Sewerage	PC001001002005002000000000000000000000				Essential Services	*Sewerage Infrastructure*	*Sewerage Infrastructure*	Ward:N'duli	-33.356148	*19.343961*	–	–	–	11 320	–
Electricity	Capex Electrical Network Housing Project	PC001002001007000000000000000000000000				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	Ceres	-33.349439	*19.327236*	–	–	–	3 000	4 000
Roads	CAPEX Nduli Infill Internal Roads	PC001001002006001000000000000000000000				Essential Services	*Road Infrastructure*	*Road Infrastructure*	Ward:N'duli	-33.356148	*19.343961*	–	–	–	11 320	–
Storm Water Management	CAPEX Nduli Infill Internal Storm water	PC001001002007002000000000000000000000				Essential Services	*Storm water Infrastructure*	*Storm water Infrastructure*	Ward:N'duli	-33.356148	*19.343961*	–	–	–	11 320	–
Electricity	Capex Vredebes Streetlights	PC001002001008000000000000000000000000				Essential Services	*Electrical Infrastructure*	*Electrical Infrastructure*	Ceres	-33.349439	*19.327236*	–	–	–	1 565	–
Community Halls and Facilities	CAPEX: New taxi facility at the corner of Vos	PC002003002001002000000000000000000000				Essential Services	*Community Assets*	*Community Assets*	Ceres	-33.349439	*19.327236*	–	–	–	174	6 826
Water Distribution	CAPEX Nduli Infill Internal Water	PC001001002004007000000000000000000000				Essential Services	*Water Supply Infrastructure*	*Water Supply Infrastructure*	Ward:N'duli	-33.356148	*19.343961*	–	–	–	11 320	–
Fire Fighting and Protection	Capex Firefighting Response Vehicle	PC002003010000000000000000000000000000				Communal Services	*Transport Assets*	*Transport Assets*	Whole of the Municipality	-33.349439	*19.327236*	–	–	–	–	800
Parent Capital expenditure												86 590	81 290	88 764	134 196	38 340

WC022 Witzenberg - Supporting Table SA37 Projects delayed from previous financial year/s

R thousand													Current Year 2019/20		2020/21 Medium Term Revenue & Expenditure Framework		
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Lattitude	Previous target year to complete	Original Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality:																	
List all capital projects grouped by Function																	
Core Function:Water Distribution	Capex Tulbagh Dam	PC001002004001000000000000000000000271	New			Essential Services	*Outsourced*	*Outsourced*	*Ward:Tulbagh*	*-33.28745*	*19.14216*	2529177	15 214	–	16 931	17 391	

WC022 Witzenberg - Supporting Table SA38 Consolidated detailed operational projects

Municipal Vote/Operational project	Ref	Program/Project description	Project number	ly Approved (Yes/No)	Total Project Estimate	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
								2020	2021	2022	
R thousand	4			6		Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Ward location
Parent municipality:											
List all operational projects grouped by Municipal Vote											
All Municipal Votes		Municipal Running Cost	PO0020000000000000000000000000000163	No		618 611	654 833	653 783	701 608	786 838	Whole of the municipality
Finance		Typical Work Streams Municipal Minimum Competency	PO0030040110000000000000000000000187	No		341	4	439	388	330	Whole of the municipality
Finance		RM COR Emergency COMP Computer Equipment	PO0010020020020400000000000000000149	No		313	243	328	345	362	Whole of the municipality
Finance		Typical Work Streams Workshops, Seminars and Subje	PO0030040100000000000000000000000186	No		1 176	1 080	1 239	1 297	1 361	Whole of the municipality
Finance		RM PREV INTERVAL BASED Transport Assets - Financi	PO0010020010010100000000000000000000328	No		1 714	29	1 912	2 282	2 357	Whole of the municipality
Finance		RM COR Emergency OTHER Operational Buildings Munic	PO0010020020020030010010020000000000147	No		254	198	266	279	293	Whole of the municipality
Cemeteries, Funeral Parlours and Crematoriums		RM COR Planned COMM Community Facilities Cemeterie	PO0010020020010020010110030000000000406	No		25	25	26	27	29	Whole of the municipality
Cemeteries, Funeral Parlours and Crematoriums		RM PREV Interval Based COMM Community Facilities C	PO0010020010010020010110030000000000126	No		94	94	99	103	108	Whole of the municipality
Housing		Typical Work Streams Community Development Initiat	PO0030070030000000000000000000000000194	No		28	299	181	162	164	Whole of the municipality
Housing		RM COR Emergency COMM Community Facilities Public	PO0010020020020020010160020000000000140	No		196	196	205	216	226	Whole of the municipality
Housing		RM COR Emergency OTHER Housing Social HousingBuild	PO0010020020020030020020020000000000148	No		149	149	157	165	173	Whole of the municipality
Libraries and Archives		RM COR Planned LIB Libraries	PO0010020020010110000000000000000000152	No		92	–	–	–	–	Whole of the municipality
Libraries and Archives		Typical Work Streams Library Programmes	PO0030070140000000000000000000000000205	No		29	29	30	32	33	Whole of the municipality
Fire Fighting and Protection		RM COR Planned OTHER Operational Buildings Munici	PO0010020020010030010010020000000000160	No		145	375	71	82	93	Whole of the municipality
Fire Fighting and Protection		RM COR Emergency MACH Machinery and Equipment	PO0010020020020090000000000000000000138	No		203	214	213	223	234	Whole of the municipality
Fire Fighting and Protection		RM PREV Interval Based MACH Machinery and Equipme	PO0010020010010090000000000000000000137	No		55	55	58	61	64	Whole of the municipality
Fire Fighting and Protection		RM COR Emergency FURN Furniture and Office Equipm	PO0010020020020050000000000000000000150	No		30	15	32	33	35	Whole of the municipality
Fire Fighting and Protection		Typical Work Streams Public Protection and Safety	PO0030380000000000000000000000000000233	No		16	16	17	18	18	Whole of the municipality
Recreational Facilities		RM COR Emergency COMM Sport and Recreation Facilit	PO0010020020020020020020030000000000146	No		25	25	27	28	29	Whole of the municipality
Recreational Facilities		RM COR Emergency COMM Sport and Recreation Facilit	PO0010020020020020020010020000000000144	No		34	16	36	37	39	Whole of the municipality
Recreational Facilities		RM COR Planned COMM Sport and Recreation Faciliti	PO0010020020010020020010020000000000156	No		191	196	260	272	286	Whole of the municipality
Recreational Facilities		RM COR Planned COMM Sport and Recreation Faciliti	PO0010020020010020020020040000000000158	No		25	2	27	28	29	Whole of the municipality
Community Halls and Facilities		RM COR Emergency COMM Community Facilities HallsBu	PO0010020020020020010010020000000000139	No		142	142	149	156	163	Whole of the municipality
Biodiversity and Landscape		Typical Work Streams Education and Training	PO0030070050000000000000000000000000196	No		37	37	39	41	43	Whole of the municipality
Biodiversity and Landscape		Typical Work Streams Alien and Invasive Trees	PO0030150080000000000000000000000000218	No		527	687	2	2	2	Whole of the municipality
Community Parks (including Nurseries)		Typical Work Streams Catchment and Forestry	PO0030150100000000000000000000000000220	No		173	173	181	190	199	Whole of the municipality
Community Parks (including Nurseries)		Typical Work Streams Parks Programme	PO0030330000000000000000000000000000230	No		71	179	158	165	173	Whole of the municipality
Police Forces, Traffic and Street Parking Control		Typical Work Streams Community Initiatives	PO0030070020000000000000000000000000193	No		37	21	39	40	42	Whole of the municipality
Police Forces, Traffic and Street Parking Control		RM COR Planned FURN Furniture and Office Equipme	PO0010020020010050000000000000000000162	No		5	5	5	6	6	Whole of the municipality
Disaster Management		Typical Work Streams Disaster Relief	PO0030140030000000000000000000000000212	No		15	51	43	45	47	Whole of the municipality
Aged Care		Typical Work Streams Child Programmes	PO0030070010000000000000000000000000192	No		37	37	34	35	37	Whole of the municipality
Aged Care		Typical Work Streams Social Development Programme	PO0030070160000000000000000000000000207	No		63	40	56	59	62	Whole of the municipality
Aged Care		Typical Work Streams Disability	PO0030070040000000000000000000000000195	No		21	13	19	20	21	Whole of the municipality
Aged Care		Typical Work Streams Gender Development	PO0030070110000000000000000000000000202	No		21	21	22	23	24	Whole of the municipality
Aged Care		Typical Work Streams Elderly	PO0030070070000000000000000000000000423	No		–	–	–	–	–	Whole of the municipality
Aged Care		Typical Work Streams Youth Development	PO0030070170020000000000000000000000421	No		8	–	18	18	19	Whole of the municipality
Aged Care		Typical Workstreams Aids/HIV	PO0030020030000000000000000000000000170	No		22	18	23	24	25	Whole of the municipality
Aged Care		Typical Work Streams Clean-up Actions	PO0030050010000000000000000000000000188	No		353	353	371	389	409	Whole of the municipality
Aged Care		Typical Work Streams EPWP Project	PO0030160010000000000000000000000000425	No		4 740	5 336	5 319	3 115	3 275	Whole of the municipality

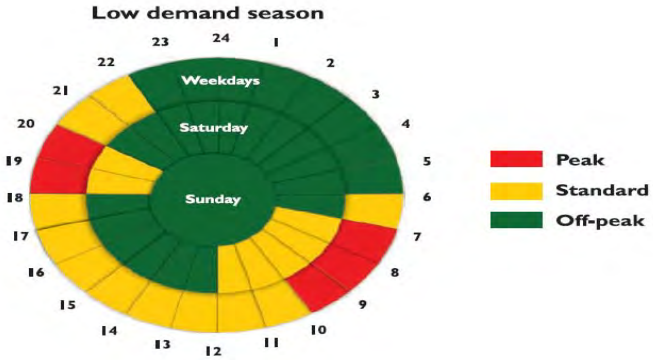
Municipal Vote/Operational project	Ref	Program/Project description	Project number	ly Approved (Yes/No)	Total Project Estimate	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
R thousand	4			6		Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Ward location
Aged Care		Typical Work Streams Cancer	PO0030020020030000000000000000000000175	No		8	8	9	9	10	Whole of the municipality
Aged Care		RM COR Emergency COMM Community Facilities CrΦches	PO0010020020020020010030020000000000142	No		4	4	38	38	40	Whole of the municipality
Sports Grounds and Stadiums		RM COR Emergency COMM Sport and Recreation Facilit	PO0010020020020020020020020000000000145	No		49	73	52	54	57	Whole of the municipality
Sports Grounds and Stadiums		Typical Workstreams Spaces for Sport	PO0030430030000000000000000000000000164	No		112	159	149	156	163	Whole of the municipality
Economic Development/Planning		Typical Work Streams Compilation of Plan	PO0030230010000000000000000000000000225	No		13	34	13	14	14	Whole of the municipality
Economic Development/Planning		Typical Work Streams ABET and Life Long Learning P	PO0030040010000000000000000000000000177	No		10	–	10	10	11	Whole of the municipality
Economic Development/Planning		Typical Work Streams Training	PO0030230040000000000000000000000000228	No		0	–	–	–	–	Whole of the municipality
Economic Development/Planning		Typical Work Streams Leadership Development	PO0030040090000000000000000000000000185	No		27	27	28	30	31	Whole of the municipality
Economic Development/Planning		Typical Work Streams Project Implementation	PO0030230020000000000000000000000000226	No		51	42	43	44	46	Whole of the municipality
Economic Development/Planning		Typical Work Streams Holiday Program	PO0030070120000000000000000000000000203	No		2	2	2	2	2	Whole of the municipality
Economic Development/Planning		Typical Work Streams Special Events and Functions	PO0030170050000000000000000000000000223	No		1 016	178	1 058	1 107	1 161	Whole of the municipality
Economic Development/Planning		Typical Work Streams Capacity Building Unemployed	PO0030040040000000000000000000000000180	No		0	136	14	18	19	Whole of the municipality
Economic Development/Planning		RM COR Planned COMM Community Facilities MarketsB	PO0010020020010020010170020000000000154	No		64	2	67	70	74	Whole of the municipality
Mayor and Council		Typical Work Streams Mayoral/Executive Mayor Campa	PO0030060040000000000000000000000000190	No		76	–	80	83	87	Whole of the municipality
Marketing, Customer Relations, Publicity and Media Co-ordi		Typical Work Streams Promotional and Marketing	PO0030440160050000000000000000000000240	No		0	–	–	–	–	Whole of the municipality
Electricity		RM PREV Interval Based ELEC MV Switching Stations	PO0010010010010010060030000000000000093	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Substations Communication	PO0010010020020010050080000000000000099	No		25	–	27	28	29	Whole of the municipality
Electricity		RM PREV Interval Based ELEC MV Switching Stations	PO0010010010010010060010000000000000092	No		25	–	27	28	29	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Switching Stations Contro	PO0010010020020010060040000000000000111	No		0	–	–	–	–	Whole of the municipality
Electricity		RM PREV Interval Based ELEC MV Networks MV Mini-su	PO0010010010010010070010000000000000094	No		51	–	53	56	59	Whole of the municipality
Electricity		RM PREV Interval Based ELEC HV Substations Electri	PO0010010010010010020040000000000000087	No		51	–	53	56	59	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Substations Control and I	PO0010010020020010050070000000000000106	No		25	76	27	28	29	Whole of the municipality
Electricity		RM PREV Interval Based ELEC MV Substations MV Subs	PO0010010010010010050020000000000000089	No		40	–	42	44	47	Whole of the municipality
Electricity		RM COR Emergency ELEC HV Substations Control and I	PO0010010020020010020060000000000000098	No		25	14	27	28	29	Whole of the municipality
Electricity		RM PREV Interval Based ELEC MV Substations Electri	PO0010010010010010050060000000000000091	No		51	2	53	56	59	Whole of the municipality
Electricity		RM PREV Interval Based ELEC MV Substations MV Mini	PO0010010010010010050040000000000000090	No		51	–	53	56	59	Whole of the municipality
Electricity		RM PREV Interval Based ELEC HV Substations MV Subs	PO0010010010010010020050000000000000088	No		0	–	–	–	–	Whole of the municipality
Electricity		RM PREV Interval Based ELEC HV Substations DC Syst	PO0010010010010010020030000000000000086	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency RAIL LV Networks Electricity Mete	PO0010010020010010080040000000000000124	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency RAIL LV Networks LV Conductors	PO0010010020010010080010000000000000121	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Networks MV Transformers	PO0010010020010010050010000000000000115	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Substations MV Mini-subst	PO0010010020010010070010000000000000103	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC HV Substations MV Substation	PO0010010020010010050020000000000000097	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC LV Networks Electricity Mete	PO0010010020020010080040000000000000120	No		68	31	71	75	79	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Substations MV Transforme	PO0010010020020010050010000000000000100	No		1	1	1	1	1	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Substations MV Network Eq	PO0010010020020010050050000000000000104	No		34	30	36	37	39	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Networks MV Conductors	PO0010010020020010070040000000000000116	No		55	8	58	61	64	Whole of the municipality
Electricity		RM COR Emergency RAIL LV Networks LV Conductors	PO0010010020020050080010000000000000121	No		80	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Networks MV Network Equip	PO0010010020020010070020000000000000114	No		169	724	577	639	639	Whole of the municipality
Electricity		RM COR Emergency ELEC HV Substations DC Systems	PO0010010020020010020030000000000000095	No		0	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency ELEC HV Substations MV Substation	PO0010010020020010050020000000000000097	No		421	803	514	540	567	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Substations MV Mini-subst	PO0010010020020010050040000000000000103	No		0	0	0	0	0	Whole of the municipality
Electricity		RM COR Emergency ELEC MV Switching Stations MV Swi	PO0010010020020010060010000000000000108	No		25	0	27	28	29	Whole of the municipality

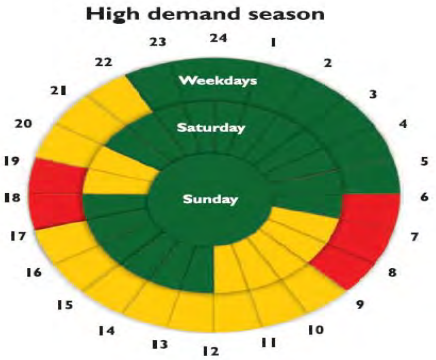
Municipal Vote/Operational project	Ref	Program/Project description	Project number	ly Approved (Yes/No)	Total Project Estimate	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
R thousand	4			6		Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Ward location
Electricity		RM COR Emergency ELEC MV Networks MV Transformers	PO00100100200200100700300000000000000115	No		66	27	69	73	76	Whole of the municipality
Electricity		RM COR Emergency ELEC LV Networks Municipal Servic	PO00100100200200100800300000000000000119	No		68	7	71	75	79	Whole of the municipality
Electricity		RM COR Emergency ELEC LV Networks LV Conductors	PO00100100200200100800100000000000000117	No		68	16	71	75	79	Whole of the municipality
Electricity		RM COR Emergency ELEC LV Networks Public Lighting	PO00100100200200100800200000000000000118	No		68	68	71	75	79	Whole of the municipality
Electricity		RM COR Emergency RAIL LV Networks Public Lighting	PO00100100200200500800200000000000000122	No		94	–	–	–	–	Whole of the municipality
Electricity		RM COR Emergency RAIL LV Networks Electricity Mete	PO00100100200200500800400000000000000124	No		94	–	–	–	–	Whole of the municipality
Public Toilets		RM COR Emergency SEWER Toilet Facilities Communal	PO00100100200200800500100000000000000125	No		72	72	90	95	100	Whole of the municipality
Sewerage		RM COR Planned Reticulation Civil Structures	PO00100100200100800200100000000000000313	No		178	178	187	196	205	Whole of the municipality
Sewerage		RM PREV Interval Based Waste Water Treatment Exter	PO00100100100100800300200000000000000308	No		63	–	66	69	72	Whole of the municipality
Sewerage		RM COR Emergency Waste Water Treatment Works	PO00100100200200800300700000000000000405	No		582	428	611	639	671	Whole of the municipality
Sewerage		RM COR Planned Waste Water Treatment Works	PO00100100200100800300700000000000000404	No		117	417	123	129	135	Whole of the municipality
Sewerage		RM Cor Planned Reticulation Pipe Bridges	PO00100100200100800200300000000000000315	No		115	115	120	126	132	Whole of the municipality
Sewerage		RM COR Planned Reticulation Municipal Service Conn	PO00100100200100800200400000000000000316	No		205	229	240	252	264	Whole of the municipality
Sewerage		RM COR Emergency Waste Water Treatment Electrical	PO00100100200200800300600000000000000312	No		380	224	399	418	439	Whole of the municipality
Sewerage		RM COR Planned Reticulation Pipe Work	PO00100100200100800200200000000000000314	No		96	76	101	106	111	Whole of the municipality
Sewerage		RM PREV Condition Based Waste Water Treatment Civi	PO00100100100200800300400000000000000310	No		133	133	140	147	154	Whole of the municipality
Sewerage		RM PREV Condition Based Waste Water Treatment Buil	PO00100100100200800300300000000000000309	No		53	53	55	58	61	Whole of the municipality
Sewerage		RM COR Emergency Waste Water Treatment Earthworks	PO00100100200200800300500000000000000311	No		18	18	19	20	21	Whole of the municipality
Storm Water Management		RM COR Planned Storm water Conveyance Civil Struct	PO00100100200100300200200000000000000319	No		367	367	767	790	815	Whole of the municipality
Storm Water Management		RM COR Planned Storm water Conveyance Drainage	PO00100100200100300200300000000000000320	No		432	463	486	510	535	Whole of the municipality
Storm Water Management		RM COR Planned Storm water Conveyance Pipework	PO00100100200100300200600000000000000321	No		524	564	790	830	874	Whole of the municipality
Roads		RM COR Planned Roads Pavements	PO00100100200100200100200000000000000306	No		5 602	3 700	5 994	6 272	6 586	Whole of the municipality
Roads		RM COR Planned Road Furniture Traffic Signs	PO00100100200100200300200000000000000318	No		728	828	870	911	956	Whole of the municipality
Water Distribution		RM COR Emergency Boreholes Electrical	PO00100100200200700200400000000000000298	No		47	4	49	51	54	Whole of the municipality
Water Distribution		RM COR Emergency PRV Stations Mechanical Equipment	PO00100100200200700700700000000000000301	No		18	–	18	19	20	Whole of the municipality
Water Distribution		RM COR Emergency Water Treatment Mechanical Equipm	PO00100100200200700900700000000000000305	No		93	93	98	103	108	Whole of the municipality
Water Distribution		RM COR Emergence Boreholes Mechanical	PO00100100200200700200600000000000000297	No		93	70	98	103	108	Whole of the municipality
Water Distribution		RM PREV Planned Condition Based Communal Standpipe	PO00100100100200700500100000000000000300	No		47	–	49	51	54	Whole of the municipality
Water Distribution		RM COR Emergency Pump stations Electrical Equipmen	PO00100100200200700800600000000000000302	No		47	47	49	51	54	Whole of the municipality
Water Distribution		RM COR Emergency Bulk Mains Pipe Work	PO00100100200200700300100000000000000299	No		381	158	400	419	440	Whole of the municipality
Water Distribution		RM COR Emergency Pump Station Pipe Work	PO00100100200200700800100000000000000304	No		0	–	–	–	–	Whole of the municipality
Water Distribution		RM COR Emergency Pump station Mechanical Equipment	PO00100100200200700800700000000000000303	No		0	–	–	–	–	Whole of the municipality
Water Distribution		RM PREV Planned Condition Based Dams & Weirs land	PO00100100100200700100100000000000000295	No		148	48	156	163	171	Whole of the municipality
Water Distribution		COR Planned Dams and Weirs Civil Struture	PO00100100200100700100400000000000000296	No		47	47	49	51	54	Whole of the municipality

Municipal Vote/Operational project	Ref	Program/Project description	Project number	ly Approved (Yes/No)	Total Project Estimate	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework			Project information
R thousand	4			6		Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Ward location
Water Distribution		RM COR Emergency Distribution Pipe Work	PO00100100200200700400200000000000322	No		187	289	303	317	333	Whole of the municipality
Corporate Wide Strategic Planning (IDPs, LEDs)		Typical Work Streams Ward Initiatives	PO00304800100000000000000000000000000244	No		170	203	190	199	208	Whole of the municipality
Corporate Wide Strategic Planning (IDPs, LEDs)		Typical Work Streams Meetings	PO00304800200000000000000000000000000245	No		91	59	64	66	69	Whole of the municipality
Corporate Wide Strategic Planning (IDPs, LEDs)		Typical Workstreams IDP Implementation and Monitor	PO00304400900000000000000000000000000173	No		29	29	31	32	34	Whole of the municipality
Corporate Wide Strategic Planning (IDPs, LEDs)		Typical Work Streams Public Participation Meeting	PO00300600600000000000000000000000000191	No		9	9	9	10	10	Whole of the municipality
Marketing, Customer Relations, Publicity and Media Co-ordi		Typical Work Streams Tourism Development	PO00304600300000000000000000000000000464	No		–	–	–	–	–	Whole of the municipality
Solid Waste Removal		Typical Work Streams Education Programme: Litter	PO00300700600000000000000000000000000197	No		–	444	500	550	600	Whole of the municipality
Treasury: Debtors		Municipal Running Cost Vehicles Financial Service	PO00200000000000000000000000000000000332	No		–	134	–	–	–	Whole of the municipality
Cemetries		RM PREV INTERVAL BASED Transport Assets - Communi	PO00100200100101000000000000000000000327	No		–	515	–	–	–	Whole of the municipality
Cemetries		Municipal Running Cost Vehicles Community Service	PO00200000000000000000000000000000000331	No		–	2 003	–	–	–	Whole of the municipality
Library Services		RM COR Planned LIB Libraries	PO00100200200100200101000200000000000479	No		–	52	–	–	–	Whole of the municipality
L E D		Typical Work Streams Youth Development	PO00300701700200000000000000000000000209	No		–	8	–	–	–	Whole of the municipality
Administration		RM PREV INTERVAL BASED Transport Assets - Corpora	PO00100200100101000000000000000000000329	No		–	27	–	–	–	Whole of the municipality
Administration		Municipal Running Cost Vehicles Corporate Service	PO00200000000000000000000000000000000333	No		–	25	–	–	–	Whole of the municipality
Electricity: Administration		Municipal Running Cost Vehicles Technical Service	PO00200000000000000000000000000000000334	No		–	4 846	–	–	–	Whole of the municipality
Electricity: Administration		RM PREV INTERVAL BASED Transport Assets - Technic	PO00100200100101000000000000000000000330	No		–	1 237	–	–	–	Whole of the municipality
Roads		RM COR Planned Roads Pavements	PO00100100200100200100200000000000317	No		–	2 008	–	–	–	Whole of the municipality
Treasury: Administration		Emergency and Disaster Management:Disaster Managem	PO00301400200000000000000000000000000211	No		–	1 476	–	–	–	Whole of the municipality
Parent operational expenditure	1					644 178	689 373	682 497	729 459	815 941	
Total Operational expenditure						644 178	689 373	682 497	729 459	815 941	

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		1.	**Property rates and other municipal taxes**								
		1.1.	**Property rates**								
R 0.00875	R 0.00875	**1.1.1.**	Residential Property	0.0%	**R 0.00927**	6.00%	R 0.00992	7.00%	R 0.01041	5.00%	R 0.00927
R 0.00784	R 0.00784	**1.1.2.**	Informal Settlements	0.0%	**R 0.00831**	6.00%	R 0.00890	7.00%	R 0.00934	5.00%	R 0.00831
R 0.01579	R 0.01579	**1.1.3.**	Business/Commercial Property	0.0%	**R 0.01674**	6.00%	R 0.01791	7.00%	R 0.01881	5.00%	R 0.01674
R 0.01537	R 0.01537	**1.1.4.**	Industrial Property	0.0%	**R 0.01629**	6.00%	R 0.01743	7.00%	R 0.01830	5.00%	R 0.01629
		1.1.5.	Agricultural Properties:								
R 0.00106	R 0.00106	1.1.5.1	Bona fida Agricultural	0.0%	**R 0.00125**	18.13%	R 0.00134	7.00%	R 0.00141	5.00%	R 0.00125
R 0.00986	R 0.00986	1.1.5.2	Agricultural/Business/Residential	0.0%	**R 0.01045**	6.00%	R 0.01118	7.00%	R 0.01174	5.00%	R 0.01045
R 0.00986	R 0.00986	1.1.5.3	Agricultural/Industrial	0.0%	**R 0.01045**	6.00%	R 0.01118	7.00%	R 0.01174	5.00%	R 0.01045
R 0.01378	R 0.01378	**1.1.6.**	State owned Property	0.0%	**R 0.01461**	6.00%	R 0.01563	7.00%	R 0.01641	5.00%	R 0.01461
R 0.01314	R 0.01314	**1.1.7.**	Vacant Land - Urban	0.0%	**R 0.01393**	6.00%	R 0.01491	7.00%	R 0.01565	5.00%	R 0.01393
R 0.00218	R 0.00218	**1.1.8.**	Public Service Infrastructure	0.0%	**R 0.00231**	6.00%	R 0.00248	7.00%	R 0.00260	5.00%	R 0.00231
R 0.00218	R 0.00218	**1.1.9.**	Public Benefit Organisations	0.0%	**R 0.00231**	6.00%	R 0.00248	7.00%	R 0.00260	5.00%	R 0.00231
R 0.01093	R 0.01093	**1.1.10.**	Building clauses	0.0%	**R 0.01158**	6.00%	R 0.01240	7.00%	R 0.01301	5.00%	R 0.01158
R 0.00438	R 0.00438	**1.1.11.**	Residential Property - Qualifying Pensioners	0.0%	**R 0.00464**	6.00%	R 0.00497	7.00%	R 0.00521	5.00%	R 0.00464
			Pensioners may qualify for a rebate of 50% on residential property in terms of councils policy.								
			Exemption								
			The first R 120 000.00 of property values are exempt from rates for tariffs 1.1.1; 1.1.2; 1.1.3 and 1.1.4								
		1.2.	**Concented use and departures**								
R 1 697.00	**R 1 697.00**	**1.2.1.**	Residential properties		**R 1 799.00**	6.01%	R 1 906.94	6.00%	R 2 021.36	6.00%	R 1 799.00
R 1 697.00	**R 1 697.00**	**1.2.2.**	Bona fida Agricultural		**R 1 799.00**	6.01%	R 1 906.94	6.00%	R 2 021.36	6.00%	R 1 799.00
		2.	**Electricity Service Tariffs**								
			High-demand (June – August) and low-demand (September – May) seasons								





		2.1	**Service Availability:**								
R 216.55	R 188.30		Unimproved sites charge per month or part of it	15.0%	**R 230.01**	6.22%	R 248.234	7.92%	R 271.093	9.21%	R 200.01
		2.2	**Residential customers**								
		2.2.1	**Single part tariff**								
		2.2.1.1	**Prepaid**								
R 1.528	R 1.329		0-50 kWh	15.0%	**R 1.623**	6.22%	R 1.751	7.92%	R 1.913	9.21%	R 1.411
R 1.528	R 1.329		51-350 kWh	15.0%	**R 1.623**	6.22%	R 1.751	7.92%	R 1.913	9.21%	R 1.411
R 1.528	R 1.329		351-600 kWh	15.0%	**R 1.623**	6.22%	R 1.751	7.92%	R 1.913	9.21%	R 1.411
R 2.640	R 2.295		Above 600 kWh	15.0%	**R 2.804**	6.22%	R 3.026	7.92%	R 3.305	9.21%	R 2.438
		2.2.1.2	**1 x 20 A**								
			0-50 kWh								
			51-350 kWh		**Removed - All consumers moved to 2.2.1.3**						
			351-600 kWh								
			Above 600 kWh								
		2.2.1.3	**Single phase**								
R 1.737	R 1.511		0-50 kWh	15.0%	**R 1.845**	6.22%	R 1.991	7.92%	R 2.175	9.21%	R 1.605
R 1.737	R 1.511		51-350 kWh	15.0%	**R 1.845**	6.22%	R 1.991	7.92%	R 2.175	9.21%	R 1.605
R 1.737	R 1.511		351-600 kWh	15.0%	**R 1.845**	6.22%	R 1.991	7.92%	R 2.175	9.21%	R 1.605
R 2.348	R 2.042		Above 600 kWh	15.0%	**R 3.100**	32.01%	R 3.346	7.92%	R 3.654	9.21%	R 2.169

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		2.2.1.4	**Three phase**								
			0-50 kWh								
			51-350 kWh								
			351-600 kWh								
			Above 600 kWh								
					Removed - All consumers moved to 2.2.2.2						
		2.2.2	**Two part tariff**								
		2.2.2.1	**Single phase**								
			Basic charge per month or part of it:								
			Energy in c/kWh								
			0-50 kWh								
			51-350 kWh								
			351-600 kWh								
			Above 600 kWh								
					Removed - All consumers moved to 2.2.1.3						
		2.2.2.2	**Three phase**								
R 686.29	R 596.77		Basic charge per month or part of it:	15.0%	**R 728.97**	6.22%	R 786.73	7.92%	R 859.17	9.21%	R 633.89
			Energy in c/kWh								
R 0.987	R 0.858		0-50 kWh	15.0%	**R 1.048**	6.22%	R 1.13	7.92%	R 1.24	9.21%	R 0.912
R 0.987	R 0.858		51-350 kWh	15.0%	**R 1.048**	6.22%	R 1.13	7.92%	R 1.24	9.21%	R 0.911
R 0.987	R 0.858		351-600 kWh	15.0%	**R 1.048**	6.22%	R 1.13	7.92%	R 1.24	9.21%	R 0.911
R 1.417	R 1.232		Above 600 kWh	15.0%	**R 1.505**	6.22%	R 1.62	7.92%	R 1.77	9.21%	R 1.309
		2.3	**Commercial customers**								
		2.3.1	**Prepaid customers**								
R 0.00	R 0.00	2.3.1.1	Basic charge per month or part of it:	15.0%	**R 0.00**		R 0.000		R 0.000		R 0.00
			The basic charge on prepaid commercial customers is not applicable to schools or church properties								
		2.3.1.2	Energy in c/kWh								
R 2.361	R 2.053		0-600 kWh	15.0%	**R 2.524**	6.90%	R 2.7424	8.64%	R 3.027	10.39%	R 2.195
R 2.571	R 2.235		Above 600 kWh	15.0%	**R 2.748**	6.90%	R 2.986	8.64%	R 3.296	10.39%	R 2.390
		2.3.2	**Single phase**								
			No new connections allowed larger than 80 AMPS on Single phase on this tariff								
		2.3.2.1	Basic charge per month or part of it:								
R 413.99	R 359.99		20A - Connection	15.0%	**R 442.55**	6.90%	R 480.79	8.64%	R 530.74	10.39%	R 384.83
R 757.14	R 658.38		40A - Connection	15.0%	**R 809.38**	6.90%	R 879.31	8.64%	R 970.67	10.39%	R 703.81
R 936.35	R 814.22		60A - Connection	15.0%	**R 1 000.96**	6.90%	R 1 087.44	8.64%	R 1 200.43	10.39%	R 870.40
R 937.74	R 815.43		80A - Connection	15.0%	**R 1 002.44**	6.90%	R 1 089.05	8.64%	R 1 202.20	10.39%	R 871.69
R 1 223.92	R 1 064.28		100A - Connection	15.0%	**R 1 308.38**	6.90%	R 1 421.42	8.64%	R 1 569.11	10.39%	R 1 137.72
R 1 372.57	R 1 193.54		150A - Connection	15.0%	**R 1 467.27**	6.90%	R 1 594.05	8.64%	R 1 759.67	10.39%	R 1 275.89
R 1 568.16	R 1 363.62		200A - Connection	15.0%	**R 1 676.37**	6.90%	R 1 821.20	8.64%	R 2 010.42	10.39%	R 1 457.71
R 1 735.17	R 1 508.84		250A - Connection	15.0%	**R 1 854.89**	6.90%	R 2 015.16	8.64%	R 2 224.54	10.39%	R 1 612.95
R 1.973	R 1.715	2.3.2.2	Energy in c/kWh	15.0%	**R 2.109**	6.90%	R 2.291	8.64%	R 2.5289	10.39%	R 1.834
			All users with greater than 80Amp Connections must be converted to 3 phase connections								
		2.3.3	**Three phase**								
			No new connections allowed larger than 150 AMPS on Three phase on this tariff								
		2.3.3.1	Basic charge per month or part of it:								
R 1 329.52	R 1 156.10		20A - Connection	15.0%	**R 1 421.25**	6.90%	R 1 544.047	8.64%	R 1 704.47	10.39%	R 1 235.87
R 1 493.44	R 1 298.64		40A - Connection	15.0%	**R 1 596.49**	6.90%	R 1 734.424	8.64%	R 1 914.63	10.39%	R 1 388.25
R 1 593.46	R 1 385.62		60A - Connection	15.0%	**R 1 703.41**	6.90%	R 1 850.590	8.64%	R 2 042.87	10.39%	R 1 481.23
R 1 704.61	R 1 482.27		80A - Connection	15.0%	**R 1 822.23**	6.90%	R 1 979.673	8.64%	R 2 185.36	10.39%	R 1 584.55
R 2 063.02	R 1 793.93		100A - Connection	15.0%	**R 2 205.37**	6.90%	R 2 395.910	8.64%	R 2 644.85	10.39%	R 1 917.71
R 2 531.20	R 2 201.04		150A - Connection	15.0%	**R 2 705.85**	6.90%	R 2 939.632	8.64%	R 3 245.06	10.39%	R 2 352.91
R 3 024.40	R 2 629.91		200A - Connection	15.0%	**R 3 233.08**	6.90%	R 3 512.413	8.64%	R 3 877.35	10.39%	R 2 811.37
R 3 091.07	R 2 687.89		250A - Connection	15.0%	**R 3 304.35**	6.90%	R 3 589.849	8.64%	R 3 962.83	10.39%	R 2 873.35
R 1.750	R 1.522	2.3.3.2	Energy in c/kWh	15.0%	**R 1.871**	6.90%	R 2.033	8.64%	R 2.2438	10.39%	R 1.627

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		2.4	**Agricultural customers**								
		2.4.1	**< 25 KVA**								
R 797.42	R 693.41		Basic charge per month or part of it:	15.0%	**R 852.45**	6.90%	R 926.101	8.64%	R 1 022.32	10.39%	R 741.26
		2.4.2	**25 KVA < = 50 KVA**								
R 1 165.58	R 1 013.55		Basic charge per month or part of it:	15.0%	**R 1 246.00**	6.90%	R 1 353.657	8.64%	R 1 494.30	10.39%	R 1 083.48
		2.4.3	**50 KVA < = 100 KVA**								
R 1 576.79	R 1 371.12		Basic charge per month or part of it:	15.0%	**R 1 685.59**	6.90%	R 1 831.224	8.64%	R 2 021.49	10.39%	R 1 465.73
		2.4.4	**Energy charge c/kWh**								
R 2.112	R 1.836		Energy in c/kWh < 1,000 units	15.0%	**R 2.257**	6.90%	R 2.452	8.64%	R 2.707	10.39%	R 1.963
R 2.112	R 1.836		Energy in c/kWh > 1,000 units	15.0%	**R 2.257**	6.90%	R 2.452	8.64%	R 2.707	10.39%	R 1.963
		2.5	**BULK CONSUMERS (LARGE POWER USERS)**								
			All Large Power Users (LPU) must maintain a power factor of 0.85 lagging or better								
			The following public holidays will always be treated as a Sunday for Large Power Users. New Year's Day, Good Friday, Family Day, Christmas Day and Day of Goodwill. All other public holidays will be treated as the day of the week on which it falls.								
		2.5.1	**Agricultural customers**								
		2.5.1.1	***Time of use customers***								
		2.5.1.1.1	***< 1 MVA High tension***								
R 9 100.95	R 7 913.87		Basic charge per month or part of it	15.0%	**R 9 728.92**	6.90%	R 10 569.498	8.64%	R 11 667.669	10.39%	R 8 459.93
R 156.780	R 136.330		Demand charge R/KVA	15.0%	**R 167.601**	6.90%	R 182.082	8.64%	R 201.000	10.39%	R 145.74
			Energy charge c/kWh								
			In season								
R 4.223	R 3.673		Peak time	15.0%	**R 4.515**	6.90%	R 4.905	8.64%	R 5.415	10.39%	R 3.926
R 1.361	R 1.184		Standard	15.0%	**R 1.455**	6.90%	R 1.581	8.64%	R 1.745	10.39%	R 1.266
R 0.806	R 0.701		Off- peak time	15.0%	**R 0.862**	6.90%	R 0.936	8.64%	R 1.034	10.39%	R 0.749
			Out of season								
R 1.473	R 1.281		Peak time	15.0%	**R 1.575**	6.90%	R 1.711	8.64%	R 1.889	10.39%	R 1.369
R 1.056	R 0.918		Standard	15.0%	**R 1.129**	6.90%	R 1.226	8.64%	R 1.354	10.39%	R 0.981
R 0.709	R 0.616		Off- peak time	15.0%	**R 0.758**	6.90%	R 0.823	8.64%	R 0.909	10.39%	R 0.659
		2.5.1.1.2	***Low tension***								
R 5 833.44	R 5 072.56		Basic charge per month or part of it	15.0%	**R 6 235.96**	6.90%	R 6 774.742	8.64%	R 7 478.638	10.39%	R 5 422.57
R 145.64	R 126.64		Demand charge R/KVA	15.0%	**R 155.69**	6.90%	R 169.138	8.64%	R 186.712	10.39%	R 135.38
			Energy charge c/kWh								
			In season								
R 4.654	R 4.047		Peak time	15.0%	**R 4.975**	6.90%	R 5.405	8.64%	R 5.966	10.39%	R 4.326
R 1.501	R 1.305		Standard	15.0%	**R 1.604**	6.90%	R 1.743	8.64%	R 1.924	10.39%	R 1.395
R 0.889	R 0.773		Off- peak time	15.0%	**R 0.951**	6.90%	R 1.033	8.64%	R 1.140	10.39%	R 0.827
			Out of season								
R 1.625	R 1.413		Peak time	15.0%	**R 1.738**	6.90%	R 1.888	8.64%	R 2.084	10.39%	R 1.511
R 1.153	R 1.003		Standard	15.0%	**R 1.233**	6.90%	R 1.339	8.64%	R 1.479	10.39%	R 1.072
R 0.778	R 0.676		Off- peak time	15.0%	**R 0.831**	6.90%	R 0.903	8.64%	R 0.997	10.39%	R 0.723
		2.5.1.2	***Normal***								
		2.5.1.2.1	***< 1 MVA High tension***								
R 8 710.57	R 7 574.41		Basic charge per month or part of it	15.0%	**R 9 311.60**	6.90%	R 10 116.118	8.64%	R 11 167.183	10.39%	R 8 097.04
R 199.04	R 173.08		*Demand charge R/KVA*	15.0%	**R 212.77**	6.90%	R 231.157	8.64%	R 255.174	10.39%	R 185.02
R 1.125	R 0.978		Energy charge c/kWh	15.0%	**R 1.202**	6.90%	R 1.306	8.64%	R 1.442	10.39%	R 1.046
		2.5.1.2.2	***Low tension***								
R 5 131.88	R 4 462.50		Basic charge per month or part of it	15.0%	**R 5 485.97**	6.90%	R 5 959.959	8.64%	R 6 579.199	10.39%	R 4 770.41
R 263.11	R 228.79		*Demand charge R/KVA*	15.0%	**R 281.27**	6.90%	R 305.568	8.64%	R 337.317	10.39%	R 244.58
R 1.029	R 0.894		Energy charge c/kWh	15.0%	**R 1.100**	6.90%	R 1.195	8.64%	R 1.319	10.39%	R 0.956

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		2.5.2	**Urban customers**								
		2.5.2.1	***Time of use customers***								
		2.5.2.1.1	***> 1 MVA High tension***								
R 19 052.12	R 16 567.06		Basic charge per month or part of it	15.0%	**R 20 366.72**	6.90%	R 22 126.403	8.64%	R 24 425.336	10.39%	R 17 710.19
R 110.10	R 95.74		Demand charge R/KVA	15.0%	**R 117.70**	6.90%	R 127.872	8.64%	R 141.158	10.39%	R 102.35
			Energy charge c/kWh								
			In season								
R 4.932	R 4.289		Peak time	15.0%	**R 5.272**	6.90%	R 5.728	8.64%	R 6.323	10.39%	R 4.585
R 1.598	R 1.390		Standard	15.0%	**R 1.708**	6.90%	R 1.856	8.64%	R 2.049	10.39%	R 1.486
R 0.931	R 0.810		Off- peak time	15.0%	**R 0.995**	6.90%	R 1.081	8.64%	R 1.194	10.39%	R 0.865
			Out of season								
R 1.694	R 1.473		Peak time	15.0%	**R 1.811**	6.90%	R 1.968	8.64%	R 2.172	10.39%	R 1.575
R 1.222	R 1.063		Standard	15.0%	**R 1.307**	6.90%	R 1.420	8.64%	R 1.567	10.39%	R 1.136
R 0.806	R 0.701		Off- peak time	15.0%	**R 0.862**	6.90%	R 0.936	8.64%	R 1.034	10.39%	R 0.749
		2.5.2.1.2	***< 1 MVA High tension***								
R 11 405.70	R 9 918.00		Basic charge per month or part of it	15.0%	**R 12 192.69**	6.90%	R 13 246.140	8.64%	R 14 622.413	10.39%	R 10 602.34
R 122.49	R 106.51		Demand charge R/KVA	15.0%	**R 130.94**	6.90%	R 142.252	8.64%	R 157.032	10.39%	R 113.86
			Energy charge c/kWh								
			In season								
R 5.252	R 4.567		Peak time	15.0%	**R 5.614**	6.90%	R 6.099	8.64%	R 6.733	10.39%	R 4.882
R 1.694	R 1.473		Standard	15.0%	**R 1.811**	6.90%	R 1.968	8.64%	R 2.172	10.39%	R 1.575
R 0.987	R 0.858		Off- peak time	15.0%	**R 1.055**	6.90%	R 1.146	8.64%	R 1.265	10.39%	R 0.917
			Out of season								
R 1.820	R 1.583		Peak time	15.0%	**R 1.946**	6.90%	R 2.114	8.64%	R 2.334	10.39%	R 1.692
R 1.293	R 1.124		Standard	15.0%	**R 1.382**	6.90%	R 1.501	8.64%	R 1.657	10.39%	R 1.201
R 0.889	R 0.773		Off- peak time	15.0%	**R 0.951**	6.90%	R 1.033	8.64%	R 1.140	10.39%	R 0.827
		2.5.2.1.3	***Low tension***								
R 10 360.34	R 9 008.99		Basic charge per month or part of it	15.0%	**R 11 075.20**	6.90%	R 12 032.099	8.64%	R 13 282.234	10.39%	R 9 630.61
R 141.77	R 123.28		Demand charge R/KVA	15.0%	**R 151.56**	6.90%	R 164.653	8.64%	R 181.761	10.39%	R 131.79
			Energy charge c/kWh								
			In season								
R 5.277	R 4.589		Peak time	15.0%	**R 5.641**	6.90%	R 6.1285	8.64%	R 6.765	10.39%	R 4.905
R 1.698	R 1.477		Standard	15.0%	**R 1.815**	6.90%	R 1.9724	8.64%	R 2.177	10.39%	R 1.579
R 1.011	R 0.879		Off- peak time	15.0%	**R 1.081**	6.90%	R 1.174	8.64%	R 1.296	10.39%	R 0.940
			Out of season								
R 1.824	R 1.586		Peak time	15.0%	**R 1.950**	6.90%	R 2.1181	8.64%	R 2.338	10.39%	R 1.695
R 1.295	R 1.126		Standard	15.0%	**R 1.384**	6.90%	R 1.504	8.64%	R 1.660	10.39%	R 1.203
R 0.877	R 0.763		Off- peak time	15.0%	**R 0.938**	6.90%	R 1.019	8.64%	R 1.125	10.39%	R 0.816
		2.5.2.2	***Normal***								
		2.5.2.2.1	***> 1 MVA High tension***								
R 15 898.53	R 13 824.81		Basic charge per month or part of it	15.0%	**R 16 995.53**	6.90%	R 18 463.942	8.64%	R 20 382.345	10.39%	R 14 778.72
R 140.42	R 122.10		*Demand charge R/KVA*	15.0%	**R 150.10**	6.90%	R 163.0665	8.64%	R 180.009	10.39%	R 130.52
R 1.389	R 1.208		Energy charge c/kWh	15.0%	**R 1.485**	6.90%	R 1.6128	8.64%	R 1.780	10.39%	R 1.291
		2.5.2.2.2	***< 1 MVA High tension***								
R 12 946.38	R 11 257.72		Basic charge per month or part of it	15.0%	**R 13 839.68**	6.90%	R 15 035.423	8.64%	R 16 597.603	10.39%	R 12 034.50
R 151.32	R 131.58		*Demand charge R/KVA*	15.0%	**R 161.76**	6.90%	R 175.735	8.64%	R 193.994	10.39%	R 140.66
R 1.347	R 1.171		Energy charge c/kWh	15.0%	**R 1.440**	6.90%	R 1.564	8.64%	R 1.727	10.39%	R 1.252
		2.5.2.2.3	***Low tension***								
R 10 531.87	R 9 158.15		Basic charge per month or part of it	15.0%	**R 11 258.57**	6.90%	R 12 231.309	8.64%	R 13 502.142	10.39%	R 9 790.06
R 143.14	R 124.47		*Demand charge R/KVA*	15.0%	**R 153.02**	6.90%	R 166.240	8.64%	R 183.5122	10.39%	R 133.06
R 1.459	R 1.269		Energy charge c/kWh	15.0%	**R 1.560**	6.90%	R 1.694	8.64%	R 1.8704	10.39%	R 1.356
		2.6	**Sport customers**								
R 2.307	R 2.006		Energy charge c/kWh	15.0%	**R 2.466**	6.90%	R 2.679	8.64%	R 2.957	10.39%	R 2.144
		2.7	**Streetlights**								
R 1.932	R 1.932		Energy charge c/kWh	0.0%	**R 2.066**	6.90%	R 2.244	8.64%	R 2.477	10.39%	R 2.066
R 500.00	R 0.00	**2.8**	Unnecessary call outs for work on customer side	15.0%	**R 500.00**	New	R 543.200	8.64%	R 599.638	10.39%	R 0.000

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
R 0.01	R 0.01	**2.9**	**Feeding in Tariff**	15.0%	**R 0.011**	6.90%	R 0.012	8.64%	R 0.013	10.39%	R 0.010
		3.	**Refuse Service Tariffs**								
			(All Areas in respect of residential sites)								
R 80.84	R 70.29	**3.1.**	**Service Availability charge per month or part of it:**	15.0%	**R 85.69**	6.00%	R 90.80	5.96%	R 96.25	6.00%	R 74.51
			Unimproved sites								
		3.2.	**Monthly Tariff per number of collections. 2 refuse bags (unit) per collection per week per household**								
		3.2.1	1 Collection per week (2 refuse bags or less)								
		3.2.2	2 Collection per week (2 refuse bags or less)								
		3.2.3	3 Collection per week (2 refuse bags or less)								
		3.2.4	Additional units per collection								
		3.2.5	Informal settlements without an account (Flat rate)								
		3.2.6	Departmental tariffs:								
		3.2.6.1	Dennebos								
		3.2.6.2	All other								
			Residential Properties: (2 refuse bags or less)								
R 181.42	R 157.75		Valuation ≤ 100 000	15.0%	**R 192.30**	6.00%	R 203.84	6.00%	R 216.07	6.00%	R 167.22
R 195.37	R 169.89		Valuation > 100 000 ≤ 150 000	15.0%	**R 207.09**	6.00%	R 219.52	6.00%	R 232.69	6.00%	R 180.08
R 209.33	R 182.02		Valuation > 150 000 ≤ 200 000	15.0%	**R 221.89**	6.00%	R 235.20	6.00%	R 249.32	6.00%	R 192.94
R 223.28	R 194.16		Valuation > 200 000 ≤ 500 000	15.0%	**R 236.68**	6.00%	R 250.88	6.00%	R 265.93	6.00%	R 205.81
R 242.82	R 211.15		Valuation > 500 000 ≤ 800 000	15.0%	**R 257.39**	6.00%	R 272.83	6.00%	R 289.20	6.00%	R 223.82
R 251.19	R 218.43		Valuation > 800 000 ≤ 1 000 000	15.0%	**R 266.26**	6.00%	R 282.24	6.00%	R 299.17	6.00%	R 231.53
R 279.10	R 242.70		Valuation > 1 000 000	15.0%	**R 295.85**	6.00%	R 313.60	6.00%	R 332.42	6.00%	R 257.26
R 181.42	R 157.75		All other residential consumers	15.0%	**R 192.30**	6.00%	R 203.84	6.00%	R 216.07	6.00%	R 167.22
R 181.42	R 157.75		Additional units per collection	15.0%	**R 192.30**	6.00%	R 203.84	6.00%	R 216.07	6.00%	R 167.22
			Pine Forest Flat Rate								
			All other properties Monthly Tariff								
			770L Wheelie Bin								
R 837.31	R 728.09		1 Collection per week per	15.0%	**R 887.55**	6.00%	R 940.80	6.00%	R 987.84	5.00%	R 771.78
R 1 674.61	R 1 456.19		2 Collections per week per 700L Wheelie Bin	15.0%	**R 1 775.09**	6.00%	R 1 881.60	6.00%	R 1 975.68	5.00%	R 1 543.56
R 2 511.92	R 2 184.28		3 Collections per week per 700L Wheelie Bin	15.0%	**R 2 662.64**	6.00%	R 2 822.40	6.00%	R 2 963.52	5.00%	R 2 315.34
R 837.31	R 728.09		1 Collection per week per additional Wheelie Bin	15.0%	**R 887.55**	6.00%	R 940.80	6.00%	R 987.84	5.00%	R 771.78
R 1 674.61	R 1 456.19		2 Collections per week per additional Wheelie Bin	15.0%	**R 1 775.09**	6.00%	R 1 881.60	6.00%	R 1 975.68	5.00%	R 1 543.56
R 2 511.92	R 2 184.28		3 Collections per week per additional Wheelie Bin	15.0%	**R 2 662.64**	6.00%	R 2 822.40	6.00%	R 2 963.52	5.00%	R 2 315.34
			If a counter system is available, the above tariffs will be implemented as follows:								
R 837.31	R 728.09		Service availability - per month. Include 4 removals/month.	15.0%	**R 887.55**	6.00%	R 940.80	6.00%	R 987.84	5.00%	R 771.78
R 208.10	R 180.96		Additional removals per removal.	15.0%	**R 220.59**	6.00%	R 233.83	6.00%	R 245.52	5.00%	R 191.82
			240L Wheelie Bin								
R 348.88	R 303.37		1 Collection per week per 240L Wheelie Bin	15.0%	**R 369.81**	6.00%	R 392.00	6.00%	R 411.60	5.00%	R 321.57
R 697.76	R 606.74		2 Collections per week per 240L Wheelie Bin	15.0%	**R 739.62**	6.00%	R 784.00	6.00%	R 823.20	5.00%	R 643.15
R 1 046.63	R 910.12		3 Collections per week per 240L Wheelie Bin	15.0%	**R 1 109.43**	6.00%	R 1 176.00	6.00%	R 1 234.80	5.00%	R 964.72
R 348.88	R 303.37		1 Collection per week per additional Wheelie Bin	15.0%	**R 369.81**	6.00%	R 392.00	6.00%	R 411.60	5.00%	R 321.57
R 697.76	R 606.74		2 Collections per week per additional Wheelie Bin	15.0%	**R 739.62**	6.00%	R 784.00	6.00%	R 823.20	5.00%	R 643.15
R 1 046.63	R 910.12		3 Collections per week per additional Wheelie Bin	15.0%	**R 1 109.43**	6.00%	R 1 176.00	6.00%	R 1 234.80	5.00%	R 964.72
			If a counter system is available, the above tariffs will be implemented as follows:								
R 348.88	R 303.37		Service availability - per month. Include 4 removals/month.	15.0%	**R 369.81**	6.00%	R 392.00	6.00%	R 411.60	5.00%	R 321.57
R 88.14	R 76.64		Additional removals per removal.	15.0%	**R 93.43**	6.00%	R 99.04	6.00%	R 103.99	5.00%	R 81.24
			Cost of Wheelie Bins								
R 5 266.08	R 4 579.20		**700L Wheelie Bin**	15.0%	**R 5 582.04**	6.00%	R 5 916.96	6.00%	R 6 212.81	5.00%	R 4 853.95
R 592.43	R 515.16		**240L Wheelie Bin**	15.0%	**R 627.98**	6.00%	R 665.66	6.00%	R 698.94	5.00%	R 546.07

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		4.	**Sewerage Service Tariffs**								
		4.1.	**Septic Tank systems**								
			(All Areas, excluding rural area in respect of availability charge)								
		4.1.1.	**Service Availability charge per month or part of it:**								
R 38.21	R 33.22	4.1.1.1	Per site with improvements	15.0%	**R 40.50**	6.00%	R 42.93	6.00%	R 45.08	5.00%	R 35.22
		4.1.2.	**Suction charge:**								
R 228.45	R 198.65	**4.1.2.1.**	Urban areas charge per occasion	15.0%	**R 242.16**	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
		4.1.2.2.	**Rural areas:**								
R 921.31	R 801.14	4.1.2.2.1	Charge per occasion	15.0%	**R 976.59**	6.00%	R 1 035.19	6.00%	R 1 086.95	5.00%	R 849.21
R 45.58	R 39.63	4.1.2.2.2	Charge per kilometre	15.0%	**R 45.58**	0.00%	R 45.58	0.00%	R 45.58	0.00%	R 39.63
		4.2.	**Waterborne Sewerage systems**								
			(All Areas connected to the main sewerage system)								
			(Where more than one service point exist on the same site and more than one or one water connection exists the tariff equal to the larges water connection will be applicable on every point of service)								
		4.2.1.	**Service Availability charge per month or part of it:**								
R 80.82	R 70.28	4.2.1.1	Unimproved sites	15.0%	**R 85.67**	6.00%	R 90.81	6.00%	R 95.35	5.00%	R 74.50
R 228.45	R 198.65	4.2.1.2	Water connection size: 0 - 25 mm	15.0%	**R 242.16**	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
R 889.01	R 773.05	4.2.1.3	Water connection size: 26 - 50 mm	15.0%	**R 942.35**	6.00%	R 998.89	6.00%	R 1 048.83	5.00%	R 819.43
R 2 276.31	R 1 979.40	4.2.1.4	Water connection size: 51 - 80 mm	15.0%	**R 2 412.89**	6.00%	R 2 557.66	6.00%	R 2 685.55	5.00%	R 2 098.17
R 3 556.38	R 3 092.51	4.2.1.5	Water connection size: 81 - 100 mm	15.0%	**R 3 769.77**	6.00%	R 3 995.95	6.00%	R 4 195.75	5.00%	R 3 278.06
R 7 999.42	R 6 956.02	4.2.1.6	Water connection size: 101 - 150 mm	15.0%	**R 8 479.38**	6.00%	R 8 988.15	6.00%	R 9 437.55	5.00%	R 7 373.38
		4.2.2.	**Exceptions:**								
R 37 849.00	R 32 912.17	4.2.2.1	Obiqua Prison - Tulbagh	15.0%	**R 40 119.94**	6.00%	R 42 527.13	6.00%	R 44 653.49	5.00%	R 34 886.90
R 228.45	R 198.65	4.2.2.2	Schools - Op-die-Berg	15.0%	**R 242.16**	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
R 228.45	R 198.65	4.2.2.3	Other sites - Op-die-Berg	15.0%	**R 242.16**	6.00%	R 256.69	6.00%	R 269.52	5.00%	R 210.57
R 81.60	R 81.60	4.2.2.4	Departmental tariff	0.0%	**R 86.49**	6.00%	R 91.68	6.00%	R 96.27	5.00%	R 86.49
		4.2.2.5	**Special Contracts, for example Del monte as per each agreement. Rand per Kg COD**								
R 6.31	R 5.49	4.2.2.5.1	Ceres Group Companies	15.0%	**R 6.69**	6.00%	R 7.09	6.00%	R 7.45	5.00%	R 5.82
R 10.15	R 8.83	4.2.2.5.2	Du Toit Vrugte	15.0%	**R 10.76**	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.3	L O Rall	15.0%	**R 10.76**	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.4	Bokkeveld Korrektiewe Dienste	15.0%	**R 10.76**	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.5	Snocooled Marketing (Edms). Bpk.	15.0%	**R 10.76**	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 10.15	R 8.83	4.2.2.5.6	Ceres Fruit Growers	15.0%	**R 10.76**	6.00%	R 11.40	6.00%	R 11.97	5.00%	R 9.35
R 149.93	R 149.93	4,2,2.6	Informal settlements without an account (Flat rate)	0.0%	**R 158.93**	6.00%	R 168.46	6.00%	R 176.88	5.00%	R 158.93
R 500.00	R 434.78	4.3	Unnecessary call outs for work on customer side	15.0%	**R 500.00**	New	R 530.00	6.00%	R 556.50	5.00%	R 434.78

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		5.	**Water service Tariffs**								
		5.1.	**Conventional Meters (All Areas)**								
		5.1.1.	**Service Availability charge per month or part of it:**								
R 144.16	R 125.36	5.1.1.1	Unimproved sites	15.0%	**R 144.16**	0.00%	R 152.81	6.00%	R 161.98	6.00%	R 125.36
R 83.00	R 72.17	5.1.1.2	Water connection size: 0 - 25 mm	15.0%	**R 83.00**	0.00%	R 83.00	0.00%	R 83.00	0.00%	R 72.17
R 1 026.00	R 892.17	5.1.1.3	Water connection size: 26 - 50 mm	15.0%	**R 1 026.00**	0.00%	R 1 087.56	6.00%	R 1 141.94	5.00%	R 892.17
R 2 592.00	R 2 253.91	5.1.1.4	Water connection size: 51 - 80 mm	15.0%	**R 2 592.00**	0.00%	R 2 747.52	6.00%	R 2 884.90	5.00%	R 2 253.91
R 4 104.00	R 3 568.70	5.1.1.5	Water connection size: 81 - 100 mm	15.0%	**R 4 104.00**	0.00%	R 4 350.24	6.00%	R 4 567.75	5.00%	R 3 568.70
R 9 180.00	R 7 982.61	5.1.1.6	Water connection size: 101 - 150 mm	15.0%	**R 9 180.00**	0.00%	R 9 730.80	6.00%	R 10 217.34	5.00%	R 7 982.61
R 199 800.00	R 173 739.13	5.1.1.7	Consumption of more than 20,000 kl per month	15.0%	**R 199 800.00**	0.00%	R 211 788.00	6.00%	R 222 377.40	5.00%	R 173 739.13
R 302.40	R 262.96	5.1.1.8	Un-metered connections	15.0%	**R 302.40**	0.00%	R 320.54	6.00%	R 336.57	5.00%	R 262.96
		5.1.2	**Consumption per kiloliter**								
		5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.24	R 2.82		0-6 kl	15.0%	**R 3.24**	0.00%	R 3.44	6.00%	R 3.61	5.0%	R 2.82
R 9.38	R 8.15		7-30 kl	15.0%	**R 9.38**	0.00%	R 9.94	6.00%	R 10.44	5.00%	R 8.15
R 9.38	R 8.15		31-60 kl	15.0%	**R 9.38**	0.00%	R 9.94	6.00%	R 10.44	5.00%	R 8.15
R 9.38	R 8.15		61-300 kl	15.0%	**R 9.38**	0.00%	R 9.94	6.00%	R 10.44	5.00%	R 8.15
R 32.69	R 28.43		Above 300 kl	15.0%	**R 32.69**	0.00%	R 34.65	6.00%	R 36.38	5.00%	R 28.43
		5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 10.23	R 8.90		0-300 kl	15.0%	**R 10.23**	0.00%	R 10.85	6.00%	R 11.39	5.00%	R 8.90
R 10.23	R 8.90		301-1000 kl	15.0%	**R 10.23**	0.00%	R 10.85	6.00%	R 11.39	5.00%	R 8.90
R 9.90	R 8.61		1001-8000 kl	15.0%	**R 9.90**	0.00%	R 10.49	6.00%	R 11.02	5.00%	R 8.61
R 9.90	R 8.61		Above 8000 kl	15.0%	**R 9.90**	0.00%	R 10.49	6.00%	R 11.02	5.00%	R 8.61
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 3.17	R 2.75		Consumption above 20,000 kl per month	15.0%	**R 3.17**	0.00%	R 3.42	8.12%	R 3.67	7.10%	R 2.75
		5.1.2.4	**Block D (Internal)**								
R 2.68	R 2.33		Departmental consumption	15.0%	**R 2.68**	New	R 2.85	6.00%	R 2.99	5.00%	R 2.33
		5.1.2	**Consumption per kiloliter: Restrictions Level 1**								
		5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.00	R 2.61		0-6 kl	15.0%	**R 3.24**	New	R 3.44	6.00%	R 3.61	5.0%	R 2.82
R 10.42	R 9.06		7-30 kl	15.0%	**R 10.42**	New	R 11.05	6.00%	R 11.60	5.0%	R 9.06
R 10.42	R 9.06		31-60 kl	15.0%	**R 10.42**	New	R 11.05	6.00%	R 11.60	5.0%	R 9.06
R 10.42	R 9.06		61-300 kl	15.0%	**R 10.42**	New	R 11.05	6.00%	R 11.60	5.0%	R 9.06
R 30.27	R 26.32		Above 300 kl	15.0%	**R 40.00**	New	R 42.40	6.00%	R 44.52	5.0%	R 34.78
		5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 12.29	R 10.68		0-300 kl	15.0%	**R 12.29**	New	R 13.02	6.00%	R 13.67	5.0%	R 10.68
R 12.29	R 10.68		301-1000 kl	15.0%	**R 12.29**	New	R 13.02	6.00%	R 13.67	5.0%	R 10.68
R 11.88	R 10.33		1001-8000 kl	15.0%	**R 11.88**	New	R 12.60	6.00%	R 13.23	5.0%	R 10.33
R 11.88	R 10.33		Above 8000 kl	15.0%	**R 11.88**	New	R 12.60	6.00%	R 13.23	5.0%	R 10.33
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 3.63	R 3.16		Consumption above 20,000 kl per month	15.0%	**R 3.80**	New	R 4.10	8.00%	R 4.43	8.0%	R 3.30
		5.1.2	**Consumption per kiloliter: Restrictions Level 2**								
		5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.00	R 2.61		0-6 kl	15.0%	**R 3.24**	New	R 3.44	6.00%	R 3.61	5.0%	R 2.82
R 13.14	R 11.42		7-30 kl	15.0%	**R 13.14**	New	R 13.92	6.00%	R 14.62	5.0%	R 11.42
R 13.14	R 11.42		31-60 kl	15.0%	**R 13.14**	New	R 13.92	6.00%	R 14.62	5.0%	R 11.42
R 13.14	R 11.42		61-300 kl	15.0%	**R 13.14**	New	R 13.92	6.00%	R 14.62	5.0%	R 11.42
R 30.27	R 26.32		Above 300 kl	15.0%	**R 45.00**	New	R 47.70	6.00%	R 50.09	5.0%	R 39.13
		5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 14.34	R 12.47		0-300 kl	15.0%	**R 14.34**	New	R 15.20	6.00%	R 15.96	5.0%	R 12.47
R 14.34	R 12.47		301-1000 kl	15.0%	**R 14.34**	New	R 15.20	6.00%	R 15.96	5.0%	R 12.47
R 13.87	R 12.06		1001-8000 kl	15.0%	**R 13.87**	New	R 14.70	6.00%	R 15.43	5.0%	R 12.06
R 13.87	R 12.06		Above 8000 kl	15.0%	**R 13.87**	New	R 14.70	6.00%	R 15.43	5.0%	R 12.06
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 4.33	R 3.77		Consumption above 20,000 kl per month	15.0%	**R 4.50**	New	R 4.77	6.00%	R 5.01	5.0%	R 3.91
		5.1.2	**Consumption per kiloliter: Restrictions Level 3**								
		5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.00	R 2.61		0-6 kl	15.0%	**R 3.24**	New	R 3.44	6.00%	R 3.61	5.0%	R 2.82
R 15.02	R 13.06		7-30 kl	15.0%	**R 15.02**	New	R 15.92	6.00%	R 16.71	5.0%	R 13.06
R 15.02	R 13.06		31-60 kl	15.0%	**R 15.02**	New	R 15.92	6.00%	R 16.71	5.0%	R 13.06
R 15.02	R 13.06		61-300 kl	15.0%	**R 15.02**	New	R 15.92	6.00%	R 16.71	5.0%	R 13.06
R 30.27	R 26.32		Above 300 kl	15.0%	**R 50.00**	New	R 53.00	6.00%	R 55.65	5.0%	R 43.48
		5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 16.39	R 14.25		0-300 kl	15.0%	**R 16.39**	New	R 17.37	6.00%	R 18.24	5.0%	R 14.25
R 16.39	R 14.25		301-1000 kl	15.0%	**R 16.39**	New	R 17.37	6.00%	R 18.24	5.0%	R 14.25
R 15.85	R 13.78		1001-8000 kl	15.0%	**R 15.85**	New	R 16.80	6.00%	R 17.64	5.0%	R 13.78
R 15.85	R 13.78		Above 8000 kl	15.0%	**R 15.85**	New	R 16.80	6.00%	R 17.64	5.0%	R 13.78
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 5.04	R 4.38		Consumption above 20,000 kl per month	15.0%	**R 5.00**	New	R 5.30	6.00%	R 5.57	5.0%	R 4.35
		5.1.2	**Consumption per kiloliter: Restrictions Level 4**								
		5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.00	R 2.61		0-6 kl	15.0%	**R 3.24**	New	R 3.44	6.00%	R 3.61	5.0%	R 2.82
R 16.90	R 14.69		7-30 kl	15.0%	**R 16.90**	New	R 17.91	6.00%	R 18.81	5.0%	R 14.69
R 16.90	R 14.69		31-60 kl	15.0%	**R 16.90**	New	R 17.91	6.00%	R 18.81	5.0%	R 14.69
R 16.90	R 14.69		61-300 kl	15.0%	**R 16.90**	New	R 17.91	6.00%	R 18.81	5.0%	R 14.69
R 30.27	R 26.32		Above 300 kl	15.0%	**R 55.00**	New	R 58.30	6.00%	R 61.22	5.0%	R 47.83
		5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 18.44	R 16.03		0-300 kl	15.0%	**R 18.44**	New	R 19.55	6.00%	R 20.52	5.0%	R 16.03
R 18.44	R 16.03		301-1000 kl	15.0%	**R 18.44**	New	R 19.55	6.00%	R 20.52	5.0%	R 16.03
R 17.84	R 15.51		1001-8000 kl	15.0%	**R 17.84**	New	R 18.91	6.00%	R 19.85	5.0%	R 15.51
R 17.84	R 15.51		Above 8000 kl	15.0%	**R 17.84**	New	R 18.91	6.00%	R 19.85	5.0%	R 15.51
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 5.74	R 4.99		Consumption above 20,000 kl per month	15.0%	**R 6.00**	New	R 6.36	6.00%	R 6.68	5.0%	R 5.22

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		5.1.2	**Consumption per kiloliter: Restrictions Level 5**								
		5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.00	R 2.61		0-6 kl	15.0%	**R 3.24**	New	R 3.44	6.00%	R 3.61	5.0%	R 2.82
R 18.77	R 16.32		7-30 kl	15.0%	**R 18.77**	New	R 19.89	6.00%	R 20.89	5.0%	R 16.32
R 18.77	R 16.32		31-60 kl	15.0%	**R 18.77**	New	R 19.89	6.00%	R 20.89	5.0%	R 16.32
R 18.77	R 16.32		61-300 kl	15.0%	**R 18.77**	New	R 19.89	6.00%	R 20.89	5.0%	R 16.32
R 30.27	R 26.32		Above 300 kl	15.0%	**R 60.00**	New	R 63.60	6.00%	R 66.78	5.0%	R 52.17
		5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 20.48	R 17.81		0-300 kl	15.0%	**R 20.48**	New	R 21.71	6.00%	R 22.79	5.0%	R 17.81
R 20.48	R 17.81		301-1000 kl	15.0%	**R 20.48**	New	R 21.71	6.00%	R 22.79	5.0%	R 17.81
R 19.81	R 17.23		1001-8000 kl	15.0%	**R 19.81**	New	R 21.00	6.00%	R 22.05	5.0%	R 17.23
R 19.81	R 17.23		Above 8000 kl	15.0%	**R 19.81**	New	R 21.00	6.00%	R 22.05	5.0%	R 17.23
		5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 6.45	R 5.61		Consumption above 20,000 kl per month	15.0%	**R 6.50**	New	R 6.89	6.00%	R 7.23	5.0%	R 5.65
		5.2.	**Prepaid Meters (All Areas)**								
		5.2.1.	**Water connection on site (Consumption per kiloliter)**								
R 5.80	R 5.04		0-6 kl	15.0%	**R 6.15**	6.00%	R 6.51	6.00%	R 6.84	5.00%	R 5.34
R 11.14	R 9.69		Bo 6 kl	15.0%	**R 11.14**	0.00%	R 11.81	6.00%	R 12.40	5.00%	R 9.69
			Consumption per kiloliter: Restrictions Level 1								
R 6.87	R 5.97		0-6 kl	15.0%	**R 7.22**	5.07%	R 7.65	6.00%	R 8.03	5.00%	R 6.27
R 13.20	R 11.48		Bo 6 kl	15.0%	**R 13.20**	0.00%	R 13.99	6.00%	R 14.69	5.00%	R 11.48
			Consumption per kiloliter: Restrictions Level 2								
R 7.94	R 6.90		0-6 kl	15.0%	**R 8.29**	4.38%	R 8.78	6.00%	R 9.22	5.00%	R 7.21
R 15.26	R 13.27		Bo 6 kl	15.0%	**R 15.26**	0.00%	R 16.18	6.00%	R 16.98	5.00%	R 13.27
			Consumption per kiloliter: Restrictions Level 3								
R 9.01	R 7.83		0-6 kl	15.0%	**R 9.36**	3.86%	R 9.92	6.00%	R 10.41	5.00%	R 8.14
R 17.32	R 15.06		Bo 6 kl	15.0%	**R 17.32**	0.00%	R 18.36	6.00%	R 19.28	5.00%	R 15.06
			Consumption per kiloliter: Restrictions Level 4								
R 10.08	R 8.76		0-6 kl	15.0%	**R 10.43**	3.45%	R 11.05	6.00%	R 11.60	5.00%	R 9.07
R 19.38	R 16.85		Bo 6 kl	15.0%	**R 19.38**	0.00%	R 20.54	6.00%	R 21.57	5.00%	R 16.85
			Consumption per kiloliter: Restrictions Level 5								
R 11.60	R 10.08		0-6 kl	15.0%	**R 12.29**	6.00%	R 13.03	6.00%	R 13.68	5.00%	R 10.69
R 22.28	R 19.37		Bo 6 kl	15.0%	**R 22.28**	0.00%	R 23.62	6.00%	R 24.80	5.00%	R 19.37
			Pensioners may qualify for 6 Kl of water free of charge per month in terms of councils policy.								
R 934.35	R 812.48	**5.3.**	**"Leiwater beurte" (In Urban areas per month)**	15.0%	**R 990.41**	6.00%	R 1 049.84	6.00%	R 1 102.33	5.00%	R 861.23
R 96.71	R 84.10	**5.4.**	**Informal settlements without an account (Flat rate)**	15.0%	**R 102.52**	6.00%	R 108.67	6.00%	R 114.10	5.00%	R 89.14
		5.5.	**Mobile Water provision**								
Free		**5.5.1**	Humanitarian purposes		**Free**		**Free**		**Free**		
R 270.00	R 234.78	**5.5.2**	All non Residential per trip	15.0%	**R 286.20**	6.00%	R 303.37	6.00%	R 318.54	5.00%	R 248.87
R 540.00	R 469.57	**5.6**	Unnecessary call outs for work on customer side	15.0%	**R 572.40**	6.00%	R 606.74	6.00%	R 637.08	5.00%	R 497.74

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		5.7	**Greywater**								
R 0.2875	R 0.2500	5.7.1	Per Cubic Meter (m3)	15.0%	**R 0.30**	6.00%	R 0.32	6.00%	R 0.34	5.00%	R 0.27
		5.8	**Raw Water for Agricultural use**								
R 0.5060	R 0.4400	5.81	Per kiloliter water	15.0%	**R 0.54**	6.00%	R 0.57	6.00%	R 0.60	5.00%	R 0.44
		6.	**Other tariffs and charges**								
		6.1.	**CORPORATE SERVICES**								
R 608.00	R 528.70	6.1.1	Erection of banners (per application)	15.0%	**R 644.00**	5.92%	R 682.00	5.90%	R 716.00	4.99%	R 560.00
R 467.00	R 406.09	6.1.2	Erection of placards (deposit)	15.0%	**R 495.00**	6.00%	R 524.00	5.86%	R 550.00	4.96%	R 430.43
R 949.00	R 825.22	6.1.3	Cancellation of purchase agreement (Admin fee)	15.0%	**R 1 005.00**	5.90%	R 1 065.00	5.97%	R 1 118.00	4.98%	R 873.91
		6.1.4	Agenda and minutes of Council meetings								
R 156.00	R 135.65		001-400 g	15.0%	**R 165.00**	5.77%	R 174.00	5.45%	R 182.00	4.60%	R 143.48
R 173.00	R 150.43		401-500 g	15.0%	**R 183.00**	5.78%	R 193.00	5.46%	R 202.00	4.66%	R 159.13
R 204.00	R 177.39		501-600 g	15.0%	**R 216.00**	5.88%	R 228.00	5.56%	R 239.00	4.82%	R 187.83
R 220.00	R 191.30		601-700 g	15.0%	**R 233.00**	5.91%	R 246.00	5.58%	R 258.00	4.88%	R 202.61
R 272.00	R 236.52		701+ g	15.0%	**R 288.00**	5.88%	R 305.00	5.90%	R 320.00	4.92%	R 250.43
R 422.00	R 366.96	6.1.6	Translation service (Per hour or part of it)	15.0%	**R 447.00**	5.92%	R 473.00	5.82%	R 496.00	4.86%	R 388.70
		6.1.7	Access to information								
R 113.00	R 98.26	6.1.7.1	Fee payable when information is requested	15.0%	**R 119.00**	5.31%	R 126.00	5.88%	R 132.00	4.76%	R 103.48
		6.1.7.2	*Reproduction fees:*								
R 1.50	R 1.30		Photocopies (A4 or part of it) per page	15.0%	**R 1.50**	0.00%	R 1.60	6.67%	R 1.70	6.25%	R 1.30
R 1.00	R 0.87		Print outs per copy	15.0%	**R 1.00**	0.00%	R 1.10	10.00%	R 1.20	9.09%	R 0.87
R 21.00	R 18.26		Information on a memory stick	15.0%	**R 23.00**	9.52%	R 25.00	8.70%	R 27.00	8.00%	R 20.00
R 127.00	R 110.43		Information on a CD	15.0%	**R 134.00**	5.51%	R 142.00	5.97%	R 149.00	4.93%	R 116.52
R 71.00	R 61.74		Transcription of visual image (A4 page) per page	15.0%	**R 75.00**	5.63%	R 79.00	5.33%	R 82.00	3.80%	R 65.22
R 187.00	R 162.61		Copy of a visual image (A4 page) per page	15.0%	**R 198.00**	5.88%	R 209.00	5.56%	R 219.00	4.78%	R 172.17
R 39.00	R 33.91		Transcription of an audio record (A4 page) per page	15.0%	**R 41.00**	5.13%	R 43.00	4.88%	R 45.00	4.65%	R 35.65
R 52.00	R 45.22		Copy of audio record	15.0%	**R 55.00**	5.77%	R 58.00	5.45%	R 60.00	3.45%	R 47.83
		6.1.7.3	Investigation fee								
R 47.00	R 40.87		To search for record and to prepare it for release -- per hour, first hour excluded	15.0%	**R 49.00**	4.26%	R 51.00	4.08%	R 53.00	3.92%	R 42.61
		6.1.7.4	Postage								
Actual cost plus 20% plus VAT			If record should be posted to applicant	15.0%	**Actual cost plus 20% plus VAT**						
R 3 967.00	R 3 449.57	6.1.8	Application for extention of trading hours to sell Liquor	15.0%	**R 4 205.00**	6.00%	R 4 457.00	5.99%	R 4 679.00	4.98%	R 3 656.52
		6.2.	**COMMUNITY SERVICES**								
		6.2.1	**Libraries**								
		6.2.1.1	Hall rental (per session or part thereof)								
			NOTE: a session is from								
R 142.00	R 123.48		08:00 - 13:00	15.0%	**R 150.00**	5.63%	R 159.00	6.00%	R 166.00	4.40%	R 130.43
R 156.00	R 135.65		13:00 - 18:00	15.0%	**R 165.00**	5.77%	R 174.00	5.45%	R 182.00	4.60%	R 143.48
R 173.00	R 150.43		18:00 - 00:00	15.0%	**R 183.00**	5.78%	R 193.00	5.46%	R 202.00	4.66%	R 159.13
			NB: The amenities are available without charge to youth-, service-,charity-community-,sport-, educational-, and governmental institutions, as well as for meetings of local political parties								
R 382.00	R 332.17	6.2.1.2	Kitchen rental (per session or part thereof)	15.0%	**R 404.00**	5.76%	R 428.00	5.94%	R 449.00	4.91%	R 351.30
R 168.00			Deposit for kitchen rental	Exempt	**R 178.00**	5.95%	R 188.00	5.62%	R 197.00	4.79%	
		6.2.2	**Traffic Services**								
		6.2.2.1	**Assistance: Escorting and Traffic assistance or Any Other Special Event**								
			(Section 111 (3) (C) of the Road Traffic Act 1989, Act 29 of 1989, in conjunction with Section 22 of the Standard Regulation Re: Roads, Provincial Notice 562 of October 1987.								
		6.2.2.1.1	Profit Organisations: (per gathering/march)								
R 613.00	R 533.04		(a) First hour per officer (normal working hours)	15.0%	**R 649.00**	5.87%	R 687.00	5.86%	R 721.00	4.95%	R 564.35
R 220.00	R 191.30		(b) Subsequent hourly tariff within normal working hours	15.0%	**R 233.00**	5.91%	R 246.00	5.58%	R 258.00	4.88%	R 202.61
R 772.00	R 671.30		(c) First hour per officer (after hours & weekends)	15.0%	**R 818.00**	5.96%	R 867.00	5.99%	R 910.00	4.96%	R 711.30
R 304.00	R 264.35		(d) Subsequent hourly tariff after hours & weekends	15.0%	**R 322.00**	5.92%	R 341.00	5.90%	R 358.00	4.99%	R 280.00
R 1 586.00	R 1 379.13		(e) Per officer (Sundays per 4 hour bracket)	15.0%	**R 1 681.00**	5.99%	R 1 781.00	5.95%	R 1 870.00	5.00%	R 1 461.74
R 187.00	R 162.61		(f) Per vehicle (less than 15 km)	15.0%	**R 198.00**	5.88%	R 209.00	5.56%	R 219.00	4.78%	R 172.17
R 8.90	R 7.74		(g) Per kilometre tariff thereafter	15.0%	**R 9.60**	7.87%	R 11.00	14.58%	R 11.50	4.55%	R 8.35
R 187.00	R 162.61		(h) Hiring of road signs and equipment	15.0%	**R 198.00**	5.88%	R 209.00	5.56%	R 219.00	4.78%	R 172.17
R 784.00	R 681.74		(i) Mega phone per day	15.0%	**R 831.00**	5.99%	R 880.00	5.90%	R 924.00	5.00%	R 722.61
		6.2.2.1.2	Non-Profit Organisations: (per gathering/march)								
R 220.00	R 191.30		(a) First hour per officer (normal working hours)	15.0%	**R 233.00**	5.91%	R 246.00	5.58%	R 258.00	4.88%	R 202.61
R 113.00	R 98.26		(b) Subsequent hourly tariff within normal working hours	15.0%	**R 119.00**	5.31%	R 126.00	5.88%	R 132.00	4.76%	R 103.48
R 289.00	R 251.30		(c) First hour per officer (after hours & weekends)	15.0%	**R 306.00**	5.88%	R 324.00	5.88%	R 340.00	4.94%	R 266.09
R 173.00	R 150.43		(d) Subsequent hourly tariff after hours & weekends	15.0%	**R 183.00**	5.78%	R 193.00	5.46%	R 202.00	4.66%	R 159.13
R 792.00	R 688.70		(e) Per officer (Sundays per 4 hour bracket)	15.0%	**R 839.00**	5.93%	R 889.00	5.96%	R 933.00	4.95%	R 729.57
R 113.00	R 98.26		(f) Per vehicle (less than 15 km)	15.0%	**R 119.00**	5.31%	R 126.00	5.88%	R 132.00	4.76%	R 103.48
R 8.90	R 7.74		(g) Per kilometre tariff thereafter	15.0%	**R 9.60**	7.87%	R 11.00	14.58%	R 11.50	4.55%	R 8.35
R 84.00	R 73.04		(h) Hiring of road signs and equipment	15.0%	**R 89.00**	5.95%	R 94.00	5.62%	R 98.00	4.26%	R 77.39
R 389.00	R 338.26		(i) Mega phone per day	15.0%	**R 412.00**	5.91%	R 436.00	5.83%	R 457.00	4.82%	R 358.26
		6.2.2.2	**Dog Tax Tariffs**								
R 234.00	R 203.48	6.2.2.2.1	Male dog: per year or part thereof	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 275.00	4.96%	R 215.65
R 470.00	R 408.70	6.2.2.2.2	Bitch: per year or part thereof	15.0%	**R 498.00**	5.96%	R 527.00	5.82%	R 553.00	4.93%	R 433.04
R 116.00	R 100.87	6.2.2.2.3	Sterilised/castrated (proof)	15.0%	**R 122.00**	5.17%	R 129.00	5.74%	R 135.00	4.65%	R 106.09
R 186.00	R 161.74	**6..2.2.3**	**Executing of warrants of arrest**	15.0%	**R 197.00**	5.91%	R 208.00	5.58%	R 218.00	4.81%	R 171.30

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.3	**Fire Brigade Service**								
			(In terms of Provincial Notice 396 of 11 June 1982)								
			No accounts will be render to informal areas								
R 2 777.00	R 2 414.78	6.2.3.1	Call-outs (per call) (excluding resedential)	15.0%	**R 2 943.00**	5.98%	R 3 119.00	5.98%	R 3 274.00	4.97%	R 2 559.13
			This includes all fire fighting vehicles, all manpower water supply and pump operation during the actual delivery of specialized in fire fighting, (excluding travel time) where more than 1 hour worked. (excluding travel time) (Per hour or part thereof)								
Cost		6.2.3.2	Addisional sources and consumables:		**Cost**	New	Cost		Cost		
R 1 851.00	R 1 609.57	6.2.3.3	Spesial Standby Services at Events	15.0%	**R 1 962.00**	6.00%	R 2 079.00	5.96%	R 2 182.00	4.95%	R 1 706.09
R 2 858.00	R 2 485.22	**6.2.4**	**Filling of swimming pools** (per pool)	15.0%	**R 3 029.00**	5.98%	R 3 210.00	5.98%	R 3 370.00	4.98%	R 2 633.91
		6.2.5	**Permits (**per permit)								
R 262.00	R 227.83		(a) Gas	15.0%	**R 277.00**	5.73%	R 293.00	5.78%	R 307.00	4.78%	R 240.87
R 262.00	R 227.83		(b) Liquid Fuel	15.0%	**R 277.00**	5.73%	R 293.00	5.78%	R 307.00	4.78%	R 240.87
R 288.00	R 250.43		(c) Inspection of Vehicles for Hazardous contents transport (HAZCHEM):	15.0%	**R 305.00**	5.90%	R 323.00	5.90%	R 339.00	4.95%	R 265.22
R 577.00	R 501.74		(d) Spray-paint rooms	15.0%	**R 611.00**	5.89%	R 647.00	5.89%	R 679.00	4.95%	R 531.30
		6.2.6	**Refuse tariffs moved to Civil Services**								
		6.2.7	**Licensing and Regulating: Hiring and Sundry**								
R 785.00	R 682.61	6.2.7.1	Vendor stalls (uncovered)	15.0%	**R 832.00**	5.99%	R 881.00	5.89%	R 925.00	4.99%	R 723.48
R 1 271.00	R 1 105.22	6.2.7.2	Vendor stalls -- under cover (per annum)	15.0%	**R 1 347.00**	5.98%	R 1 427.00	5.94%	R 1 498.00	4.98%	R 1 171.30
		6.2.7.3	Clean-up of premises (cost recoverable from owner)								
		6.2.8	**Holiday Resorts**								
R 595.00			Deposit for hiring C & D types Chalets at Pine Forest (*Dennebos*)	Exempt	**R 630.00**	5.88%	R 667.00	5.87%	R 700.00	4.95%	
R 462.00			Deposit for hiring of other	Exempt	**R 489.00**	5.84%	R 518.00	5.93%	R 543.00	4.83%	
		6.2.8.1	**Pine Forest (*Dennebos*)**								
		6.2.8.1.1	Administrative levy for cancellation of booking								
25.00%	21.74%		(% of rental amount, no maximum)	15.0%	**25.00%**	0.00%	25.00%	0.00%	25.00%	0.00%	R 0.22
		6.2.8.1.2	**Camping (per stand per night)**								
R 376.00	R 326.96		High season	15.0%	**R 398.00**	5.85%	R 421.00	5.78%	R 442.00	4.99%	R 346.09
R 244.00	R 212.17		In season	15.0%	**R 258.00**	5.74%	R 273.00	5.81%	R 286.00	4.76%	R 224.35
R 149.00	R 129.57		Out of season	15.0%	**R 157.00**	5.37%	R 166.00	5.73%	R 174.00	4.82%	R 136.52
R 462.00			Deposit	Exempt	**R 489.00**	5.84%	R 518.00	5.93%	R 543.00	4.83%	
		6.2.8.1.3	**Annual Booking Fee**								
R 17 682.00	R 15 375.65		A-type - caravan premises	15.0%	**R 19 803.00**	12.00%	R 21 783.00	10.00%	R 23 961.00	10.00%	R 17 220.00
R 13 902.00	R 12 088.70		B-type - caravan premises	15.0%	**R 15 570.00**	12.00%	R 17 127.00	10.00%	R 18 839.00	10.00%	R 13 539.13
R 12 934.00	R 11 246.96		C-type - caravan premises	15.0%	**R 14 486.00**	12.00%	R 15 934.00	10.00%	R 17 527.00	10.00%	R 12 596.52
R 17 682.00	R 15 375.65		Log Cabins	15.0%	**R 19 803.00**	12.00%	R 21 783.00	10.00%	R 23 961.00	10.00%	R 17 220.00
R 13 577.00	R 11 806.09		A-type - Lost City	15.0%	**R 15 206.00**	12.00%	R 16 726.00	10.00%	R 18 398.00	10.00%	R 13 222.61
R 11 387.00	R 9 901.74		B-type - Lost City	15.0%	**R 12 753.00**	12.00%	R 14 028.00	10.00%	R 15 430.00	9.99%	R 11 089.57
			Deposit	Exempt							
		6.2.8.1.4	**Chalets (per unit per night)**								
		6.2.8.1.4.1	**A - Type**								
R 453.00	R 393.91		High season (24 December to 9 January & Easter weekend)	15.0%	**R 480.00**	5.96%	R 504.00	5.00%	R 529.00	4.96%	R 417.39
R 404.00	R 351.30		In season	15.0%	**R 428.00**	5.94%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
R 330.00	R 286.96		Out of season	15.0%	**R 349.00**	5.76%	R 366.00	4.87%	R 384.00	4.92%	R 303.48
		6.2.8.1.4.2	**B - Type**								
R 738.00	R 641.74		High season (24 December to 9 January & Easter weekend)	15.0%	**R 782.00**	5.96%	R 821.00	4.99%	R 862.00	4.99%	R 680.00
R 601.00	R 522.61		In season	15.0%	**R 637.00**	5.99%	R 668.00	4.87%	R 701.00	4.94%	R 553.91
R 465.00	R 404.35		Out of season	15.0%	**R 492.00**	5.81%	R 516.00	4.88%	R 541.00	4.84%	R 427.83
		6.2.8.1.4.3	**C - Type**								
R 1 058.00	R 920.00		High season (24 December to 9 January & Easter weekend)	15.0%	**R 1 121.00**	5.95%	R 1 177.00	5.00%	R 1 235.00	4.93%	R 974.78
R 1 011.00	R 879.13		In season	15.0%	**R 1 071.00**	5.93%	R 1 124.00	4.95%	R 1 180.00	4.98%	R 931.30
R 557.00	R 484.35		Out of season	15.0%	**R 590.00**	5.92%	R 619.00	4.92%	R 649.00	4.85%	R 513.04
		6.2.8.1.4.4	**D - Type**								
R 958.00	R 833.04		High season (24 December to 9 January & Easter weekend)	15.0%	**R 1 015.00**	5.95%	R 1 065.00	4.93%	R 1 118.00	4.98%	R 882.61
R 803.00	R 698.26		In season	15.0%	**R 851.00**	5.98%	R 893.00	4.94%	R 937.00	4.93%	R 740.00
R 508.00	R 441.74		Out of season	15.0%	**R 538.00**	5.91%	R 564.00	4.83%	R 592.00	4.96%	R 467.83
		6.2.8.1.4.5	**E - Type**								
R 696.00	R 605.22		High season (24 December to 9 January & Easter weekend)	15.0%	**R 737.00**	5.89%	R 773.00	4.88%	R 811.00	4.92%	R 640.87
R 644.00	R 560.00		In season	15.0%	**R 682.00**	5.90%	R 716.00	4.99%	R 751.00	4.89%	R 593.04
R 414.00	R 360.00		Out of season	15.0%	**R 438.00**	5.80%	R 459.00	4.79%	R 481.00	4.79%	R 380.87
		6.2.8.1.4.6	**F - Type**								
R 453.00	R 393.91		High season (24 December to 9 January & Easter weekend)	15.0%	**R 480.00**	5.96%	R 504.00	5.00%	R 529.00	4.96%	R 417.39
R 404.00	R 351.30		In season	15.0%	**R 428.00**	5.94%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
R 330.00	R 286.96		Out of season	15.0%	**R 349.00**	5.76%	R 366.00	4.87%	R 384.00	4.92%	R 303.48
		6.2.8.1.4.7	**G - Type**								
R 1 064.00	R 925.22		High season (24 December to 9 January & Easter weekend)	15.0%	**R 1 127.00**	5.92%	R 1 183.00	4.97%	R 1 242.00	4.99%	R 980.00
R 848.00	R 737.39		In season	15.0%	**R 898.00**	5.90%	R 942.00	4.90%	R 989.00	4.99%	R 780.87
R 526.00	R 457.39		Out of season	15.0%	**R 557.00**	5.89%	R 584.00	4.85%	R 613.00	4.97%	R 484.35
		6.2.8.1.4.8	Long-term monthly rentals are based on the weekend tariff multiplied by four (4) plus 20 percent.								
		6.2.8.1.5	**Day Visitors - Entrance**								
R 74.00	R 64.35		Per person per day	15.0%	**R 78.00**	5.41%	R 81.00	3.85%	R 85.00	4.94%	R 67.83
R 69.00	R 60.00		Per vehicle per day	15.0%	**R 73.00**	5.80%	R 76.00	4.11%	R 79.00	3.95%	R 63.48

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.8.1.6	**Sundry Tariffs**								
R 800.00			Conference Hall (deposit)	Exempt	**R 800.00**	0.00%	R 848.00	6.00%	R 890.00	4.95%	
			Conference Hall hire: per session								
R 534.00	R 464.35		08:00 – 13.00	15.0%	**R 566.00**	5.99%	R 594.00	4.95%	R 623.00	4.88%	R 492.17
R 534.00	R 464.35		13:00 – 18:00	15.0%	**R 566.00**	5.99%	R 594.00	4.95%	R 623.00	4.88%	R 492.17
R 715.00	R 621.74		18:00 – 24:00	15.0%	**R 757.00**	5.87%	R 794.00	4.89%	R 833.00	4.91%	R 658.26
R 1 367.00	R 1 188.70		Conference Hall hire: per day	15.0%	**R 1 449.00**	6.00%	R 1 521.00	4.97%	R 1 597.00	5.00%	R 1 260.00
			Renting of Recreational Halls to sports clubs (local):								
R 350.00			Deposit	Exempt	**R 350.00**	0.00%	R 371.00	6.00%	R 389.00	4.85%	
R 1 700.00	R 1 478.26		Annual tariff	15.0%	**R 1 802.00**	6.00%	R 1 892.00	4.99%	R 1 986.00	4.97%	R 1 566.96
R 80.00	R 69.57		Bedding hiring: per set per week (chalets)	15.0%	**R 84.00**	5.00%	R 88.00	4.76%	R 92.00	4.55%	R 73.04
			Entrance (Local Residents)								
R 175.00	R 152.17		Clip cards - Local residence in Witzenberg area entrance (5 Visits)	15.0%	**R 185.00**	5.71%	R 194.00	4.86%	R 203.00	4.64%	R 160.87
			Local residence in Witzenberg annual tickets (per ticket)								
R 404.00	R 351.30		Adults	15.0%	**R 428.00**	5.94%	R 449.00	4.91%	R 471.00	4.90%	R 372.17
R 297.00	R 258.26		Children	15.0%	**R 314.00**	5.72%	R 329.00	4.78%	R 345.00	4.86%	R 273.04
R 278.00	R 241.74		Vehicles	15.0%	**R 294.00**	5.76%	R 308.00	4.76%	R 323.00	4.87%	R 255.65
R 63.00	R 54.78		Clip cards - Recreational facilities 5 clips per ticket	15.0%	**R 66.00**	4.76%	R 69.00	4.55%	R 72.00	4.35%	R 57.39
			Laundromat facilities								
R 50.00	R 43.48		Per 8kg, excluding washing powder	15.0%	**R 53.00**	6.00%	R 55.00	3.77%	R 57.00	3.64%	R 46.09
		6.2.8.2	**Klipriver Park (Closed)**								
		6.2.8.2.1	**Chalets (per unit per night)**								
			A - Type								
			High season (15 December to 16 January & Easter weekend)	15.0%							
R 393.00	R 341.74				**R 416.00**	5.85%	R 436.00	4.81%	R 457.00	4.82%	R 361.74
R 330.00	R 286.96		In season	15.0%	**R 349.00**	5.76%	R 366.00	4.87%	R 384.00	4.92%	R 303.48
R 232.00	R 201.74		Out of season	15.0%	**R 245.00**	5.60%	R 257.00	4.90%	R 269.00	4.67%	R 213.04
			B - Type								
			High season (15 December to 16 January & Easter weekend)	15.0%							
R 435.00	R 378.26				**R 461.00**	5.98%	R 484.00	4.99%	R 508.00	4.96%	R 400.87
R 347.00	R 301.74		In season	15.0%	**R 367.00**	5.76%	R 385.00	4.90%	R 404.00	4.94%	R 319.13
R 237.00	R 206.09		Out of season	15.0%	**R 251.00**	5.91%	R 263.00	4.78%	R 276.00	4.94%	R 218.26
		6.2.8.2.2	**Camping (per stand per night)**								
R 193.00	R 167.83		High season	15.0%	**R 204.00**	5.70%	R 214.00	4.90%	R 224.00	4.67%	R 177.39
R 136.00	R 118.26		In season	15.0%	**R 144.00**	5.88%	R 151.00	4.86%	R 158.00	4.64%	R 125.22
R 79.00	R 68.70		Out of season	15.0%	**R 83.00**	5.06%	R 87.00	4.82%	R 91.00	4.60%	R 72.17
		6.2.8.2.3	**Day Visitors**								
R 68.00	R 59.13		Per person per day	15.0%	**R 72.00**	5.88%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
R 68.00	R 59.13		Per vehicle per day	15.0%	**R 72.00**	5.88%	R 75.00	4.17%	R 78.00	4.00%	R 62.61
		6.2.8.3	**Discounts - Both Resorts**								
			The following discounts will be allowed on booking by:								
			Pensioners - less 50% during off-season and midweek periods out of peak season								
			Registered Caravan Clubs and Club members - less 10% in periods out of peak season								
			Midweek in- and off season - less 25%								
			Students accompanied by parents - less 12% on day visitor fee								
		6.2.9	**Swimming Pools**								
			All swimming pools in Witzenberg								
R 11.00	R 9.57		Entrance: Adults	15.0%	**R 11.00**	0.00%	R 11.00	0.00%	R 11.00	0.00%	R 9.57
R 2.50	R 2.17		Children (school-going)	15.0%	**R 2.50**	0.0%	R 2.50	0.00%	R 2.50	0.00%	R 2.17
R 150.00	R 130.43		Season tickets	15.0%	**R 150.00**	0.00%	R 150.00	0.00%	R 150.00	0.00%	R 130.43
R 600.00	R 521.74		Annual fee per School (Only for School activities)	15.0%	**R 600.00**	0.0%	R 600.00	0.00%	R 600.00	0.00%	R 521.74
R 1 100.00	R 956.52		Annual fee per Service providers for Swimming training/lessons (Allow all trainees entry free)	15.0%	**R 1 100.00**	0.00%	R 1 100.00	0.00%	R 1 100.00	0.00%	R 956.52
		6.2.1	**Sports grounds**								
		6.2.10.1	**All sports grounds in Witzenberg**								
R 75.00	R 65.22		School practices (per practice)	15.0%	**R 79.00**	5.33%	R 83.00	5.06%	R 87.00	4.82%	R 68.70
R 66.00	R 57.39		If the school book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	15.0%	**R 69.00**	4.55%	R 73.00	5.80%	R 76.00	4.11%	R 60.00
R 159.00	R 138.26		School matches (per match)	15.0%	**R 168.00**	5.66%	R 178.00	5.95%	R 186.00	4.49%	R 146.09
R 159.00	R 138.26		Sports clubs (per practice)	15.0%	**R 168.00**	5.66%	R 178.00	5.95%	R 186.00	4.49%	R 146.09
R 118.00	R 102.61		If the sport club book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	15.0%	**R 125.00**	5.93%	R 132.00	5.60%	R 138.00	4.55%	R 108.70
R 344.00	R 299.13		Sports clubs (per match)	15.0%	**R 364.00**	5.81%	R 385.00	5.77%	R 404.00	4.94%	R 316.52
R 376.00	R 326.96		Other events	15.0%	**R 398.00**	5.85%	R 421.00	5.78%	R 442.00	4.99%	R 346.09
R 1 020.00	R 886.96		Festivals and Carnivals (per day)	15.0%	**R 1 081.00**	5.98%	R 1 145.00	5.92%	R 1 202.00	4.98%	R 940.00
R 409.00		**6.2.10.2**	**Deposit per event**	Exempt	**R 433.00**	5.87%	R 458.00	5.77%	R 480.00	4.80%	
		6.2.11	**Community Halls and Town Halls**								
		6.2.11.1	**Non-local and Outside Organisations**								
		6.2.11.1.1	**Tulbagh Community Hall**								
			Concerts, Theatre productions and Film Shows								
R 1 255.00	R 1 091.30		Non-local Associations	15.0%	**R 1 330.00**	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 179.00	R 155.65		Non-local Associations (per session)	15.0%	**R 189.00**	5.59%	R 200.00	5.82%	R 212.00	6.00%	R 164.35
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1 532.00	R 1 332.17		Non-local Associations	15.0%	**R 1 623.00**	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
			Shows, Exhibitions and Auctions								
R 1 255.00	R 1 091.30		Non-local Associations	15.0%	**R 1 330.00**	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1 255.00	R 1 091.30		Non-local Associations	15.0%	**R 1 330.00**	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
R 876.00	R 761.74		Deposit for all the above	15.0%	**R 928.00**	5.94%	R 983.00	5.93%	R 1 041.00	5.90%	R 806.96
R 108.00	R 93.91		Preparation of hall per hour	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.1.2	**Tulbagh Town Hall**								
			Concerts, Theatre productions and Film Shows								
R 1 420.00	R 1 234.78		Non-local Associations	15.0%	**R 1 505.00**	5.99%	R 1 595.00	5.98%	R 1 690.00	5.96%	R 1 308.70
R 1 516.00	R 1 516.00		Deposit for above	Exempt	**R 1 606.00**	5.94%	R 1 702.00	5.98%	R 1 804.00	5.99%	R 1 606.00
			Local Organisations/Individuals								
		6.2.11.1.3	**Town Hall - Ceres**								
			Hall, stage and main toilets								
R 360.00	R 313.04		Morning	15.0%	**R 381.00**	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
R 360.00	R 313.04		Afternoon	15.0%	**R 381.00**	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
R 445.00	R 386.96		Evening	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
			Kitchen								
R 234.00	R 203.48		Morning	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 234.00	R 203.48		Afternoon	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 304.00	R 264.35		Evening	15.0%	**R 322.00**	5.92%	R 341.00	5.90%	R 361.00	5.87%	R 280.00
			Banqueting Hall: (only when not used in conjunction with kitchen) per session								
R 221.00	R 192.17		Morning	15.0%	**R 234.00**	5.88%	R 248.00	5.98%	R 262.00	5.65%	R 203.48
R 221.00	R 192.17		Afternoon	15.0%	**R 234.00**	5.88%	R 248.00	5.98%	R 262.00	5.65%	R 203.48
R 251.00	R 218.26		Evening	15.0%	**R 266.00**	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 231.30
			Tariff 2: Public dances per session								
R 876.00	R 761.74		Hall, stage and toilets	15.0%	**R 928.00**	5.94%	R 983.00	5.93%	R 1 041.00	5.90%	R 806.96
			Tariff 3: Guarantee deposit								
R 1 516.00	R 1 516.00		Per function	Exempt	**R 1 606.00**	5.94%	R 1 702.00	5.98%	R 1 804.00	5.99%	R 1 606.00
			Tariff 4: equipment per occasion								
R 33.00	R 28.70		Hiring of table cloths (each, per day)	15.0%	**R 34.00**	3.03%	R 36.00	5.88%	R 38.00	5.56%	R 29.57
R 22.00	R 19.13		Hiring of tables (each, per day)	15.0%	**R 23.00**	4.55%	R 24.00	4.35%	R 25.00	4.17%	R 20.00
R 20.00	R 17.39		Hiring of cutlery (per dozen, per day)	15.0%	**R 21.00**	5.00%	R 22.00	4.76%	R 23.00	4.55%	R 18.26
			Tariff 5: reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos per function								
R 209.00	R 181.74		Piano organ	15.0%	**R 221.00**	5.74%	R 234.00	5.88%	R 248.00	5.98%	R 192.17
R 234.00	R 203.48		Grand piano	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 148.00	R 128.70		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 156.00**	5.41%	R 165.00	5.77%	R 174.00	5.45%	R 135.65
R 165.00	R 143.48		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 174.00**	5.45%	R 184.00	5.75%	R 195.00	5.98%	R 151.30
			Tariff 9: Changes to Bookings -- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 121.00	R 105.22		Levy	15.0%	**R 128.00**	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
R 251.00	R 218.26		**Sound system for Town Hall (per occasion)**	15.0%	**R 266.00**	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 231.30
		6.2.11.1.4	**Bella Vista Community Hall**								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 259.00	R 225.22		Morning	15.0%	**R 274.00**	5.79%	R 290.00	5.84%	R 307.00	5.86%	R 238.26
R 259.00	R 225.22		Afternoon	15.0%	**R 274.00**	5.79%	R 290.00	5.84%	R 307.00	5.86%	R 238.26
R 389.00	R 338.26		Evening	15.0%	**R 412.00**	5.91%	R 436.00	5.83%	R 462.00	5.96%	R 358.26
			Kitchen								
R 234.00	R 203.48		Morning	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 234.00	R 203.48		Afternoon	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 259.00	R 225.22		Evening	15.0%	**R 274.00**	5.79%	R 290.00	5.84%	R 307.00	5.86%	R 238.26
			Change rooms (excluding main toilets)								
R 67.00	R 58.26		Morning	15.0%	**R 71.00**	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 67.00	R 58.26		Afternoon	15.0%	**R 71.00**	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 135.00	R 117.39		Evening	15.0%	**R 143.00**	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
			Tariff 2: Public dances per session								
R 892.00	R 775.65		Hall, stage and toilets	15.0%	**R 945.00**	5.94%	R 1 001.00	5.93%	R 1 061.00	5.99%	R 821.74
			Tariff 3: Guarantee deposit								
R 373.00	R 324.35		Per function --- excluding kitchen	15.0%	**R 395.00**	5.90%	R 418.00	5.82%	R 443.00	5.98%	R 343.48
R 1 516.00	R 1 318.26		Per function --- including kitchen	15.0%	**R 1 606.00**	5.94%	R 1 702.00	5.98%	R 1 804.00	5.99%	R 1 396.52
			Tariff 4: equipment per occasion								
R 33.00	R 28.70		Hiring of table cloths (each, per day)	15.0%	**R 34.00**	3.03%	R 36.00	5.88%	R 38.00	5.56%	R 29.57
R 16.90	R 14.70		Hiring of tables (each, per day)	15.0%	**R 17.90**	5.92%	R 19.00	6.15%	R 20.10	5.79%	R 15.57
R 15.70	R 13.65		Hiring of cutlery (per dozen, per day)	15.0%	**R 16.60**	5.73%	R 17.60	6.02%	R 18.70	6.25%	R 14.43
			Tariff 5: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos								
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 95.00	R 82.61		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 100.00**	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 86.96
R 135.00	R 117.39		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 143.00**	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
			Tariff 9: Changes to Bookings -- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 108.00	R 93.91		Levy	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.1.5	**Dreyer Hall (currently on lease contract)**								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 227.00	R 197.39		Morning	15.0%	**R 240.00**	5.73%	R 254.00	5.83%	R 266.00	4.72%	R 208.70
R 227.00	R 197.39		Afternoon	15.0%	**R 240.00**	5.73%	R 254.00	5.83%	R 266.00	4.72%	R 208.70
R 311.00	R 270.43		Evening	15.0%	**R 329.00**	5.79%	R 348.00	5.78%	R 365.00	4.89%	R 286.09
			Kitchen								
R 77.00	R 66.96		Morning	15.0%	**R 81.00**	5.19%	R 85.00	4.94%	R 89.00	4.71%	R 70.43
R 77.00	R 66.96		Afternoon	15.0%	**R 81.00**	5.19%	R 85.00	4.94%	R 89.00	4.71%	R 70.43
R 92.00	R 80.00		Evening	15.0%	**R 97.00**	5.43%	R 102.00	5.15%	R 107.00	4.90%	R 84.35
			Change rooms (excluding main toilets)								
R 66.00	R 57.39		Morning	15.0%	**R 69.00**	4.55%	R 73.00	5.80%	R 76.00	4.11%	R 60.00
R 66.00	R 57.39		Afternoon	15.0%	**R 69.00**	4.55%	R 73.00	5.80%	R 76.00	4.11%	R 60.00
R 144.00	R 125.22		Evening	15.0%	**R 152.00**	5.56%	R 161.00	5.92%	R 169.00	4.97%	R 132.17
			Tariff 2: Public dances per session								
R 866.00	R 753.04		Hall, stage and toilets	15.0%	**R 917.00**	5.89%	R 972.00	6.00%	R 1 020.00	4.94%	R 797.39
R 330.00	R 330.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 349.00**	5.76%	R 369.00	5.73%	R 387.00	4.88%	R 349.00
			Tariff 4: Equipment								
			Tariff 5: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Pianos								
			Tariff 8: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 66.00	R 57.39		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 69.00**	4.55%	R 73.00	5.80%	R 76.00	4.11%	R 60.00
R 105.00	R 91.30		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 111.00**	5.71%	R 117.00	5.41%	R 122.00	4.27%	R 96.52
			Tariff 9: Changes to Bookings -- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 105.00	R 91.30		Levy	15.0%	**R 111.00**	5.71%	R 117.00	5.41%	R 122.00	4.27%	R 96.52
		6.2.11.1.6	**Bella Vista Youth Centre and Polo cross Hall N'duli**								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 234.00	R 203.48		Morning	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 234.00	R 203.48		Afternoon	15.0%	**R 248.00**	5.98%	R 262.00	5.65%	R 277.00	5.73%	R 215.65
R 321.00	R 279.13		Evening	15.0%	**R 340.00**	5.92%	R 360.00	5.88%	R 381.00	5.83%	R 295.65
			Tariff 2: Public dances per session								
R 892.00	R 775.65		Hall, stage and toilets	15.0%	**R 945.00**	5.94%	R 1 001.00	5.93%	R 1 061.00	5.99%	R 821.74
R 340.00	R 340.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 360.00**	5.88%	R 381.00	5.83%	R 403.00	5.77%	R 360.00
			Tariff 4: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 5: Levy in respect of exceeding the vacating time								
			In the event of the lessee failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 6: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 67.00	R 58.26		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 71.00**	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 108.00	R 93.91		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13
			Tariff 7: Changes to bookings --- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 121.00	R 105.22		Levy	15.0%	**R 128.00**	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
		6.2.11.1.7	**N'duli New Hall**								
			Tariff 1: Basic charges per session								
			Hall, stage and main toilets								
R 275.00	R 239.13		Morning	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
R 275.00	R 239.13		Afternoon	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
R 389.00	R 338.26		Evening	15.0%	**R 412.00**	5.91%	R 436.00	5.83%	R 462.00	5.96%	R 358.26
			Kitchen								
R 121.00	R 105.22		Morning	15.0%	**R 128.00**	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
R 121.00	R 105.22		Afternoon	15.0%	**R 128.00**	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 111.30
R 179.00	R 155.65		Evening	15.0%	**R 189.00**	5.59%	R 200.00	5.82%	R 212.00	6.00%	R 164.35
			Change rooms (excluding main toilets)								
R 51.00	R 44.35		Morning	15.0%	**R 54.00**	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
R 51.00	R 44.35		Afternoon	15.0%	**R 54.00**	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
R 80.00	R 69.57		Evening	15.0%	**R 84.00**	5.00%	R 89.00	5.95%	R 94.00	5.62%	R 73.04
			Tariff 2: Public dances per session								
R 947.00	R 823.48		Hall, stage and toilets	15.0%	**R 1 003.00**	5.91%	R 1 063.00	5.98%	R 1 126.00	5.93%	R 872.17
R 489.00	R 489.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 518.00**	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
			Tariff 4: Equipment								
			Tariff 5: Reduced rates								
			50% discount to organisations that qualify								
			Tariff 6: Levy in respect of exceeding the vacating time								
			In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
			Tariff 7: Rehearsals (per rehearsal)								
			In respect of hall and stage only								
R 108.00	R 93.91		Morning: 10:00 - 12:00 (per rehearsal)	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13
R 135.00	R 117.39		Evening: 18:00 - 20:00 (per rehearsal)	15.0%	**R 143.00**	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
			Tariff 8: Changes to bookings --- per booking								
			If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 108.00	R 93.91		Levy	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.1.8	**Prince Alfred's Hamlet Town Hall**								
R 51.00	R 44.35		**Tariff 1: Information sessions**	15.0%	**R 54.00**	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
			Tariff 2: Welfare Functions								
			Tariff 3: Meetings per session (included coucil chamber for councillors)								
R 67.00	R 58.26		Hire	15.0%	**R 71.00**	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 216.00	R 216.00		Deposit	Exempt	**R 228.00**	5.56%	R 241.00	5.70%	R 255.00	5.81%	R 228.00
			Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ bithdays)								
R 947.00	R 823.48		Hire	15.0%	**R 1 003.00**	5.91%	R 1 063.00	5.98%	R 1 126.00	5.93%	R 872.17
R 1 075.00	R 1 075.00		Deposit	Exempt	**R 1 139.00**	5.95%	R 1 207.00	5.97%	R 1 279.00	5.97%	R 1 139.00
			Tariff 5: Church services (per service) and fundraisings								
R 487.00	R 423.48		Hire	15.0%	**R 516.00**	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 448.70
R 684.00	R 684.00		Deposit	Exempt	**R 725.00**	5.99%	R 768.00	5.93%	R 814.00	5.99%	R 725.00
			Tariff 6: Sport practices (per session)								
R 221.00	R 192.17		Hire	15.0%	**R 234.00**	5.88%	R 248.00	5.98%	R 262.00	5.65%	R 203.48
R 390.00	R 390.00		Deposit	Exempt	**R 413.00**	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
		6.2.11.1.9	**Prince Alfred's Hamlet Community Hall**								
R 51.00	R 44.35		**Tariff 1: Information sessions**	15.0%	**R 54.00**	5.88%	R 57.00	5.56%	R 60.00	5.26%	R 46.96
			Tariff 2: Welfare Functions								
			Tariff 3: Meetings (per session)								
R 67.00	R 58.26		Hire	15.0%	**R 71.00**	5.97%	R 75.00	5.63%	R 79.00	5.33%	R 61.74
R 169.00	R 169.00		Deposit	Exempt	**R 179.00**	5.92%	R 189.00	5.59%	R 200.00	5.82%	R 179.00
			Tariff 4: All functions not covered under other tariffs (e.g Weddings, dinners, receptions and all dances/ bithdays)								
R 906.00	R 787.83		Hire	15.0%	**R 960.00**	5.96%	R 1 017.00	5.94%	R 1 078.00	6.00%	R 834.78
R 977.00	R 977.00		Deposit	Exempt	**R 1 035.00**	5.94%	R 1 097.00	5.99%	R 1 162.00	5.93%	R 1 035.00
			Tariff 5: Church services (per service) and fundraisings								
R 487.00	R 423.48		Hire	15.0%	**R 516.00**	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 448.70
R 684.00	R 684.00		Deposit	Exempt	**R 725.00**	5.99%	R 768.00	5.93%	R 814.00	5.99%	R 725.00
			Tariff 6: Sport practices								
R 108.00	R 93.91		Hire	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13
R 537.00	R 537.00		Deposit	Exempt	**R 569.00**	5.96%	R 603.00	5.98%	R 639.00	5.97%	R 569.00
		6.2.11.1.10	**Tulbagh Community Hall**								
			Indoor Sport								
R 1 814.00	R 1 577.39		Professional	15.0%	**R 1 922.00**	5.95%	R 2 037.00	5.98%	R 2 159.00	5.99%	R 1 671.30
R 1 044.00	R 907.83		Amateur	15.0%	**R 1 106.00**	5.94%	R 1 172.00	5.97%	R 1 242.00	5.97%	R 961.74
R 135.00	R 117.39		Practices -- per hour	15.0%	**R 143.00**	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
R 731.00	R 731.00		Deposit	Exempt	**R 774.00**	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Concerts, Theatre productions and Film Shows								
R 737.00	R 640.87		Local Associations	15.0%	**R 781.00**	5.97%	R 827.00	5.89%	R 876.00	5.93%	R 679.13
R 1 814.00	R 1 577.39		Professional / Private	15.0%	**R 1 922.00**	5.95%	R 2 037.00	5.98%	R 2 159.00	5.99%	R 1 671.30
R 731.00	R 731.00		Deposit	Exempt	**R 774.00**	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 148.00	R 128.70		Local Associations	15.0%	**R 156.00**	5.41%	R 165.00	5.77%	R 174.00	5.45%	R 135.65
R 610.00	R 610.00		Deposit	Exempt	**R 646.00**	5.90%	R 684.00	5.88%	R 725.00	5.99%	R 646.00
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1 172.00	R 1 019.13		Local Associations	15.0%	**R 1 242.00**	5.97%	R 1 316.00	5.96%	R 1 394.00	5.93%	R 1 080.00
R 1 770.00	R 1 539.13		Private	15.0%	**R 1 876.00**	5.99%	R 1 988.00	5.97%	R 2 107.00	5.99%	R 1 631.30
R 731.00	R 731.00		Deposit	Exempt	**R 774.00**	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Shows, Exhibitions and Auctions								
R 1 255.00	R 1 091.30		Non-local Associations	15.0%	**R 1 330.00**	5.98%	R 1 409.00	5.94%	R 1 493.00	5.96%	R 1 156.52
			Local Associations								
R 806.00	R 806.00		Deposit	Exempt	**R 854.00**	5.96%	R 905.00	5.97%	R 959.00	5.97%	R 854.00
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1 057.00	R 919.13		Non-local Associations	15.0%	**R 1 120.00**	5.96%	R 1 187.00	5.98%	R 1 258.00	5.98%	R 973.91
R 737.00	R 640.87		Local Associations	15.0%	**R 781.00**	5.97%	R 827.00	5.89%	R 876.00	5.93%	R 679.13
R 1 343.00	R 1 343.00		Deposit	Exempt	**R 1 423.00**	5.96%	R 1 508.00	5.97%	R 1 598.00	5.97%	R 1 423.00
R 108.00	R 93.91		**Preparation of hall per hour**	15.0%	**R 114.00**	5.56%	R 120.00	5.26%	R 127.00	5.83%	R 99.13

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.11.2	**Local Organisations**								
		6.2.11.2.1	**Tulbagh Town Hall**								
			Deposit								
R 1 343.00	R 1 343.00		Main hall	Exempt	**R 1 423.00**	5.96%	R 1 508.00	5.97%	R 1 598.00	5.97%	R 1 423.00
R 428.00	R 428.00		Banqueting hall	Exempt	**R 453.00**	5.84%	R 480.00	5.96%	R 508.00	5.83%	R 453.00
R 428.00	R 428.00		Auditorium	Exempt	**R 453.00**	5.84%	R 480.00	5.96%	R 508.00	5.83%	R 453.00
R 232.00	R 232.00		Kitchen	Exempt	**R 245.00**	5.60%	R 259.00	5.71%	R 274.00	5.79%	R 245.00
R 402.00	R 402.00		Tables	Exempt	**R 426.00**	5.97%	R 451.00	5.87%	R 478.00	5.99%	R 426.00
			Hire:								
			Indoor Sport								
R 1 952.00	R 1 697.39		Professional	15.0%	**R 2 069.00**	5.99%	R 2 193.00	5.99%	R 2 324.00	5.97%	R 1 799.13
R 1 044.00	R 907.83		Amateur	15.0%	**R 1 106.00**	5.94%	R 1 172.00	5.97%	R 1 242.00	5.97%	R 961.74
R 275.00	R 239.13		Kitchen	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
			Concerts, Theatre productions and Film Shows								
R 639.00	R 555.65		Local Associations	15.0%	**R 677.00**	5.95%	R 717.00	5.91%	R 760.00	6.00%	R 588.70
R 1 814.00	R 1 577.39		Professional / Private	15.0%	**R 1 922.00**	5.95%	R 2 037.00	5.98%	R 2 159.00	5.99%	R 1 671.30
R 275.00	R 239.13		Kitchen	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
			Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 639.00	R 555.65		Main hall	15.0%	**R 677.00**	5.95%	R 717.00	5.91%	R 760.00	6.00%	R 588.70
R 275.00	R 239.13		Banqueting hall	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 253.04
R 445.00	R 386.96		Auditorium	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
R 289.00	R 251.30		Kitchen	15.0%	**R 306.00**	5.88%	R 324.00	5.88%	R 340.00	4.94%	R 266.09
			Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1 672.00	R 1 453.91		Main hall	15.0%	**R 1 772.00**	5.98%	R 1 878.00	5.98%	R 1 990.00	5.96%	R 1 540.87
R 749.00	R 651.30		Banqueting hall	15.0%	**R 793.00**	5.87%	R 840.00	5.93%	R 890.00	5.95%	R 689.57
R 360.00	R 313.04		Kitchen	15.0%	**R 381.00**	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
			Shows, Exhibitions and Auctions								
R 1 532.00	R 1 332.17		Main hall	15.0%	**R 1 623.00**	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
R 737.00	R 640.87		Banqueting hall	15.0%	**R 781.00**	5.97%	R 827.00	5.89%	R 876.00	5.93%	R 679.13
R 360.00	R 313.04		Kitchen	15.0%	**R 381.00**	5.83%	R 403.00	5.77%	R 427.00	5.96%	R 331.30
			Performances, Mannequin Parades, Cooking demo's and Debutant								
R 1 532.00	R 1 332.17		Main hall	15.0%	**R 1 623.00**	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
R 1 532.00	R 1 332.17		Banqueting hall	15.0%	**R 1 623.00**	5.94%	R 1 720.00	5.98%	R 1 823.00	5.99%	R 1 411.30
R 135.00	R 117.39		**Preparation of hall per hour**	15.0%	**R 143.00**	5.93%	R 151.00	5.59%	R 160.00	5.96%	R 124.35
R 24.00	R 20.87		**Tables: per table to maximum of R110.00**	15.0%	**R 25.00**	4.17%	R 26.00	4.00%	R 27.00	3.85%	R 21.74
		6.2.11.2.2	**Drostdy hall**								
R 470.00	R 408.70		Hire	15.0%	**R 498.00**	5.96%	R 527.00	5.82%	R 558.00	5.88%	R 433.04
R 402.00	R 402.00		Deposit	Exempt	**R 426.00**	5.97%	R 451.00	5.87%	R 478.00	5.99%	R 426.00
		6.2.11.2.3	**Montana Community Hall**								
			Concerts and stage performances								
R 683.00	R 683.00		Hire	15.0%	**R 723.00**	5.86%	R 766.00	5.95%	R 811.00	5.87%	R 723.00
R 596.00	R 596.00		Deposit	Exempt	**R 631.00**	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
			Disco's and Dances								
R 1 101.00	R 1 101.00		Hire	15.0%	**R 1 167.00**	5.99%	R 1 237.00	6.00%	R 1 311.00	5.98%	R 1 167.00
R 731.00	R 731.00		Deposit	Exempt	**R 774.00**	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Film shows, Wedding receptions and birthdays								
R 530.00	R 460.87		Hire	15.0%	**R 561.00**	5.85%	R 594.00	5.88%	R 629.00	5.89%	R 487.83
R 596.00	R 596.00		Deposit	Exempt	**R 631.00**	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		**Meetings**								R 0.00
R 251.00	R 251.00		Hire	15.0%	**R 266.00**	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 266.00
R 365.00	R 365.00		Deposit	Exempt	**R 386.00**	5.75%	R 409.00	5.96%	R 433.00	5.87%	R 386.00
	0		**Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions) per session**								**0**
	R 0.00		**Performances**								R 0.00
R 445.00	R 445.00		Hire	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 489.00	R 489.00		Deposit	Exempt	**R 518.00**	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
	R 0.00		**Exhibitions**								R 0.00
R 445.00	R 445.00		Hire	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 390.00	R 390.00		Deposit	Exempt	**R 413.00**	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
	R 0.00		**Bazaars**								R 0.00
R 275.00	R 275.00		Hire: Churches and Schools	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 291.00
R 487.00	R 487.00		Hire: Other	15.0%	**R 516.00**	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 516.00
R 561.00	R 561.00		Deposit	Exempt	**R 594.00**	5.88%	R 629.00	5.89%	R 666.00	5.88%	R 594.00
R 95.00	R 95.00		**Kitchen**	15.0%	**R 100.00**	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 100.00
R 121.00	R 121.00		**Montana Library Hall :** Per occasion (No Church Services)	15.0%	**R 128.00**	5.79%	R 135.00	5.47%	R 143.00	5.93%	R 128.00
R 148.00	R 148.00		**Stamper Street Hall :** (per occasion)	15.0%	**R 156.00**	5.41%	R 165.00	5.77%	R 174.00	5.45%	R 156.00
	R 0.00										R 0.00

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
	R 0.00	**6.2.11.2.4**	**Pine Valley Community Hall**								R 0.00
	R 0.00		**Concerts and stage performances**								R 0.00
R 683.00	R 683.00		Hire	15.0%	**R 723.00**	5.86%	R 766.00	5.95%	R 811.00	5.87%	R 723.00
R 596.00	R 596.00		Deposit	Exempt	**R 631.00**	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		**Disco's and Dances**								R 0.00
R 1 101.00	R 1 101.00		Hire	15.0%	**R 1 167.00**	5.99%	R 1 237.00	6.00%	R 1 311.00	5.98%	R 1 167.00
R 731.00	R 731.00		Deposit	Exempt	**R 774.00**	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Film shows, Wedding receptions and birthdays								
R 530.00	R 460.87		Hire	15.0%	**R 561.00**	5.85%	R 594.00	5.88%	R 629.00	5.89%	R 487.83
R 596.00	R 596.00		Deposit	Exempt	**R 631.00**	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		**Meetings**								R 0.00
R 251.00	R 251.00		Hire	15.0%	**R 266.00**	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 266.00
R 365.00	R 365.00		Deposit	Exempt	**R 386.00**	5.75%	R 409.00	5.96%	R 433.00	5.87%	R 386.00
			Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								
			Performances								
R 445.00	R 386.96		Hire	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
R 489.00	R 489.00		Deposit	Exempt	**R 518.00**	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
	R 0.00		**Exhibitions**								R 0.00
R 445.00	R 445.00		Hire	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 390.00	R 390.00		Deposit	Exempt	**R 413.00**	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
	R 0.00		**Bazaars**								R 0.00
R 275.00	R 275.00		Hire: Churches and Schools	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 291.00
R 487.00	R 487.00		Hire: Other	15.0%	**R 516.00**	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 516.00
R 561.00	R 561.00		Deposit	Exempt	**R 594.00**	5.88%	R 629.00	5.89%	R 666.00	5.88%	R 594.00
R 95.00	R 82.61		**Kitchen**	15.0%	**R 100.00**	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 86.96

NB: Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.

NB: The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.

		6.2.11.2.5	**Op-Die-Berg Community Hall**								
			Concerts and stage performances								
R 683.00	R 593.91		Hire	15.0%	**R 723.00**	5.86%	R 766.00	5.95%	R 811.00	5.87%	R 628.70
R 596.00	R 596.00		Deposit	Exempt	**R 631.00**	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		**Disco's and Dances**								R 0.00
R 1 101.00	R 1 101.00		Hire	15.0%	**R 1 167.00**	5.99%	R 1 237.00	6.00%	R 1 311.00	5.98%	R 1 167.00
R 731.00	R 731.00		Deposit	Exempt	**R 774.00**	5.88%	R 820.00	5.94%	R 869.00	5.98%	R 774.00
			Film shows, Wedding receptions and birthdays								
R 530.00	R 460.87		Hire	15.0%	**R 561.00**	5.85%	R 594.00	5.88%	R 629.00	5.89%	R 487.83
R 596.00	R 596.00		Deposit	Exempt	**R 631.00**	5.87%	R 668.00	5.86%	R 708.00	5.99%	R 631.00
	R 0.00		**Meetings**								R 0.00
R 251.00	R 251.00		Hire	15.0%	**R 266.00**	5.98%	R 281.00	5.64%	R 297.00	5.69%	R 266.00
R 365.00	R 365.00		Deposit	Exempt	**R 386.00**	5.75%	R 409.00	5.96%	R 433.00	5.87%	R 386.00
			Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								
			Performances								
R 445.00	R 386.96		Hire	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 409.57
R 489.00	R 489.00		Deposit	Exempt	**R 518.00**	5.93%	R 549.00	5.98%	R 581.00	5.83%	R 518.00
	R 0.00		**Exhibitions**								R 0.00
R 445.00	R 445.00		Hire	15.0%	**R 471.00**	5.84%	R 499.00	5.94%	R 528.00	5.81%	R 471.00
R 390.00	R 390.00		Deposit	Exempt	**R 413.00**	5.90%	R 437.00	5.81%	R 463.00	5.95%	R 413.00
	R 0.00		**Bazaars**								R 0.00
R 275.00	R 275.00		Hire: Churches and Schools	15.0%	**R 291.00**	5.82%	R 308.00	5.84%	R 326.00	5.84%	R 291.00
R 487.00	R 487.00		Hire: Other	15.0%	**R 516.00**	5.95%	R 546.00	5.81%	R 578.00	5.86%	R 516.00
R 561.00	R 561.00		Deposit	Exempt	**R 594.00**	5.88%	R 629.00	5.89%	R 666.00	5.88%	R 594.00
R 95.00	R 82.61		**Kitchen**	15.0%	**R 100.00**	5.26%	R 106.00	6.00%	R 112.00	5.66%	R 86.96

NB: Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.

NB: The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.2.12	**Cemeteries**								
			Tariffs								
		6.2.12.1	**Non-local residents**								
			All persons that were resident outside the Witzenberg Municipal jurisdiction.								
R 3 892.00	R 3 384.35		6 ft excavation: plot included	15.0%	**R 4 125.00**	5.99%	R 4 372.00	5.99%	R 4 590.00	4.99%	R 3 586.96
R 4 622.00	R 4 019.13		8 ft excavation: plot included	15.0%	**R 4 899.00**	5.99%	R 5 192.00	5.98%	R 5 451.00	4.99%	R 4 260.00
R 1 164.00	R 1 012.17		Re-burials: opening and closing of graves	15.0%	**R 1 233.00**	5.93%	R 1 306.00	5.92%	R 1 371.00	4.98%	R 1 072.17
R 392.00	R 340.87		Memorial plaque	15.0%	**R 415.00**	5.87%	R 439.00	5.78%	R 460.00	4.78%	R 360.87
		6.2.12.2	**Local residents**								
			All persons that were resident inside the Witzenberg Municipal jurisdiction.								
		6.2.12.2.1	**Indigent cases**								
			Town residents								
			Definition:								
			At the time of death the deceased had to be part of a household that was approved as an indigent case, also noted as such in the Financial system.								
			Rural residents								
			Definition:								
			At the time of death the deceased had to be part of a household of which the combined income did not exceed twice the State's Old-age Pension allowance, and that the deceased had resided in the house at that time.								
			Burials for indigent cases are free of charge, being funded from the Indigent Allocation at non-local tariffs.								
		6.2.12.2.2	**All other cases**								
R 434.00	R 377.39		Plot	15.0%	**R 460.00**	5.99%	R 487.00	5.87%	R 511.00	4.93%	R 400.00
R 1 389.00	R 1 207.83		6 ft excavation	15.0%	**R 1 472.00**	5.98%	R 1 560.00	5.98%	R 1 638.00	5.00%	R 1 280.00
R 1 489.00	R 1 294.78		8 ft excavation	15.0%	**R 1 578.00**	5.98%	R 1 672.00	5.96%	R 1 755.00	4.96%	R 1 372.17
R 668.00	R 580.87		Re-burials: opening and closing of graves	15.0%	**R 708.00**	5.99%	R 750.00	5.93%	R 787.00	4.93%	R 615.65
R 376.00	R 326.96		Memorial plaque	15.0%	**R 398.00**	5.85%	R 421.00	5.78%	R 442.00	4.99%	R 346.09
		6.2.13	**Dept. Parks -- private works -- equipment -- tariff per hour**								
R 71.00	R 61.74		Lawnmower: 450 mm (small) per hour	15.0%	**R 75.00**	5.63%	R 79.00	5.33%	R 82.00	3.80%	R 65.22
R 127.00	R 110.43		Lawnmower: 750 mm (large) per hour	15.0%	**R 134.00**	5.51%	R 142.00	5.97%	R 149.00	4.93%	R 116.52
R 100.00	R 86.96		Forest cutters (per hour)	15.0%	**R 106.00**	6.00%	R 112.00	5.66%	R 117.00	4.46%	R 92.17
R 100.00	R 86.96		Chain saws (per hour)	15.0%	**R 106.00**	6.00%	R 112.00	5.66%	R 117.00	4.46%	R 92.17
R 204.00	R 177.39		Bush cutters (per hour)	15.0%	**R 216.00**	5.88%	R 228.00	5.56%	R 239.00	4.82%	R 187.83
R 204.00	R 177.39		Trailers (per hour)	15.0%	**R 216.00**	5.88%	R 228.00	5.56%	R 239.00	4.82%	R 187.83
R 232.00	R 201.74		Spray pumps: Mechanical and triangular (per hour)	15.0%	**R 245.00**	5.60%	R 259.00	5.71%	R 271.00	4.63%	R 213.04

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.3.	**FINANCIAL SERVICES**								
		6.3.1	**Administrative fees**								
R 142.00	R 123.48	6.3.1.1	Furnishing of evaluation- and / or clearance certificates in accordance with Section 96 of Ordinance 20 of 1974: per certificate:	15.0%	**R 150.00**	5.63%	R 159.00	6.00%	R 166.00	4.40%	R 130.43
		6.3.1.2	Valuations & deed search								
		6.3.1.2.1	Re-evaluation of properties (per application)								
R 255.00	R 221.74		- Residential properties	15.0%	**R 270.00**	5.88%	R 286.00	5.93%	R 300.00	4.90%	R 234.78
R 1 242.00	R 1 080.00		- Business properties	15.0%	**R 1 316.00**	5.96%	R 1 394.00	5.93%	R 1 463.00	4.95%	R 1 144.35
R 1 544.00	R 1 342.61		- Agricultural properties	15.0%	**R 1 636.00**	5.96%	R 1 734.00	5.99%	R 1 820.00	4.96%	R 1 422.61
R 1 389.00	R 1 207.83		- State owned properties	15.0%	**R 1 472.00**	5.98%	R 1 560.00	5.98%	R 1 638.00	5.00%	R 1 280.00
R 126.00	R 109.57		- Urban vacant land	15.0%	**R 133.00**	5.56%	R 140.00	5.26%	R 147.00	5.00%	R 115.65
R 255.00	R 221.74		- Other not specified above	15.0%	**R 270.00**	5.88%	R 286.00	5.93%	R 300.00	4.90%	R 234.78
R 56.00	R 48.70	6.3.1.2.2	Deeds office search per erf	15.0%	**R 59.00**	5.36%	R 62.00	5.08%	R 65.00	4.84%	R 51.30
R 997.00	R 866.96	6.3.1.2.3	Request for valuation detail per erf	15.0%	**R 1 056.00**	5.92%	R 1 119.00	5.97%	R 1 174.00	4.92%	R 918.26
R 55.00	R 47.83	6.3.1.3	Tracing of any information older than six months. (per hour or part thereof)	15.0%	**R 58.00**	5.45%	R 61.00	5.17%	R 64.00	4.92%	R 50.43
R 55.00	R 47.83	6.3.1.4	Issuing of accounts' duplicates (per account)	15.0%	**R 58.00**	5.45%	R 61.00	5.17%	R 64.00	4.92%	R 50.43
R 555.00	R 482.61	6.3.1.5	Furnishing of name- and address list (per list) (per town)	15.0%	**R 588.00**	5.95%	R 623.00	5.95%	R 654.00	4.98%	R 511.30
R 113.00	R 98.26	6.3.1.6	Surcharge on *Refer to Drawer* cheques (per cheque)	15.0%	**R 119.00**	5.31%	R 126.00	5.88%	R 132.00	4.76%	R 103.48
R 38.00	R 33.04	6.3.1.7	Excess	15.0%	**R 40.00**	5.26%	R 42.00	5.00%	R 44.00	4.76%	R 34.78
		6.3.1.8	Recovery costs								
		6.3.1.8.1	Tariffs for processes and the serving of documentation by the Municipality								
R 41.00	R 35.65	6.3.1.8.1.1	Serving of a registered reminder (per reminder)	15.0%	**R 43.00**	4.88%	R 45.00	4.65%	R 47.00	4.44%	R 37.39
R 61.00	R 53.04	6.3.1.8.1.2	Stamp costs (per summons)	15.0%	**R 64.00**	4.92%	R 67.00	4.69%	R 70.00	4.48%	R 55.65
		6.3.1.8.1.3	Serving of summonses and/or writs (per serving)								
R 173.00	R 150.43		Inside the Witzenberg jurisdiction	15.0%	**R 183.00**	5.78%	R 193.00	5.46%	R 202.00	4.66%	R 159.13
R 422.00	R 366.96		Outside the Witzenberg jurisdiction	15.0%	**R 447.00**	5.92%	R 473.00	5.82%	R 496.00	4.86%	R 388.70
		6.3.1.8.2	Levying of any legal costs								
		6.3.2	**Water**								
			Re-connection of suspended supply on request by consumer per connection								
R 127.00	R 110.43	6.3.2.1	(a) Urban areas	15.0%	**R 134.00**	5.51%	R 142.00	5.97%	R 149.00	4.93%	R 116.52
R 156.00	R 135.65		(b) Rural areas	15.0%	**R 165.00**	5.77%	R 174.00	5.45%	R 182.00	4.60%	R 143.48
		6.3.2.2	Re-connection after non-payment per suspension list - per connection								
R 50.00	R 43.48		(a) Urban areas	15.0%	**R 53.00**	6.00%	R 56.00	5.66%	R 58.00	3.57%	R 46.09
R 74.00	R 64.35		(b) Rural areas	15.0%	**R 78.00**	5.41%	R 82.00	5.13%	R 86.00	4.88%	R 67.83
		6.3.2.3	Special meter reading per reading per meter								
R 187.00	R 162.61		(a) Urban areas	15.0%	**R 198.00**	5.88%	R 209.00	5.56%	R 219.00	4.78%	R 172.17
R 289.00	R 251.30		(b) Rural areas	15.0%	**R 306.00**	5.88%	R 324.00	5.88%	R 340.00	4.94%	R 266.09

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Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.3.2.5	**Tampering with meter connection**								
R 1 242.00	R 1 080.00		(a) In the event where a consumer's water supply has been cut and sealed with a cap and key, and such seal had been removed without the consent of the Municipality, the following charges for tampering will be levied against the consumer, no re-connection will be made unless the prescribed payment plus the cost of a Water demand device (if not yet installed) has been received.	15.0%	**R 1 316.00**	5.96%	R 1 394.00	5.93%	R 1 463.00	4.95%	R 1 144.35
			(b) Where a consumer had made an illegal water connection in front of the meter, the supply will be disconnected immediately, and one of the following options will be exercised, depending on the consumer's choice:								
			(i) A criminal charge to be laid by the SAPS, or								
R 2 487.00	R 2 162.61		(ii) An admission of guilt (see tariff attached) plus the cost of the damage and possible consumption be paid.	15.0%	**R 2 636.00**	5.99%	R 2 794.00	5.99%	R 2 933.00	4.97%	R 2 292.17
			(c) Where a consumer is guilty of a second offence in terms of an illegal water connection, the connection will be summarily removed and the matter will be handed to the SAPS.								
R 1 000.00	R 869.57		Gaining Access to water services without approval from the municipality	15.0%	**R 1 000.00**	0.00%	R 1 060.00	6.00%	R 1 113.00	5.00%	R 869.57
R 1 000.00	R 869.57		Gain Acces to water services without agreement with the Municipality	15.0%	**R 1 000.00**	0.00%	R 1 060.00	6.00%	R 1 113.00	5.00%	R 869.57
R 1 000.00	R 869.57		Refuse to give access required by the municipality in terms of section 19	15.0%	**R 1 000.00**	0.00%	R 1 060.00	6.00%	R 1 113.00	5.00%	R 869.57
R 500.00	R 434.78		Fail to comply with a notice served upon him/her in terms of bylaws relating to water, sanitation services and industrial effluent	15.0%	**R 500.00**	0.00%	R 530.00	6.00%	R 556.00	4.91%	R 434.78
R 1 000.00	R 869.57		Disconnect a measuring device and its associated apparatus from the pipe in which they are installed	15.0%	**R 1 000.00**	0.00%	R 1 060.00	6.00%	R 1 113.00	5.00%	R 869.57
R 500.00	R 434.78		Break a seal which the municipality has placed on a water meter	15.0%	**R 500.00**	0.00%	R 530.00	6.00%	R 556.00	4.91%	R 434.78
R 500.00	R 434.78		Interfere with a measuring device and its associated apparatus	15.0%	**R 500.00**	0.00%	R 530.00	6.00%	R 556.00	4.91%	R 434.78
R 2 000.00	R 1 739.13		Owner fail to provide and maintain approved measures to prevent the entry of substance which may be a danger to health or adversely affect water potability	15.0%	**R 2 000.00**	0.00%	R 2 120.00	6.00%	R 2 226.00	5.00%	R 1 739.13
R 500.00	R 434.78		Disregard any water restrictions imposed by the municipality	15.0%	**R 500.00**	0.00%	R 530.00	6.00%	R 556.00	4.91%	R 434.78
R 500.00	R 434.78		Permit wasteful discharge of water from the terminal fittings	15.0%	**R 500.00**	0.00%	R 530.00	6.00%	R 556.00	4.91%	R 434.78
R 500.00	R 434.78		Permit an overflow of water to persist	15.0%	**R 500.00**	0.00%	R 530.00	6.00%	R 556.00	4.91%	R 434.78
		6.3.3	**Electricity**								
		6.3.3.1	Re-connections of cut supplies of Pre-Paid, per re-connection:								
R 47.00	R 40.87		(a) Urban areas	15.0%	**R 49.00**	4.26%	R 51.00	4.08%	R 53.00	3.92%	R 42.61
R 47.00	R 40.87		(b) Rural areas	15.0%	**R 49.00**	4.26%	R 51.00	4.08%	R 53.00	3.92%	R 42.61
		6.3.3.2	Re-connections of cut supplies on request of consumers of Conventional Meters, per re-connection:								
R 124.00	R 107.83		(a) Urban areas	15.0%	**R 131.00**	5.65%	R 138.00	5.34%	R 144.00	4.35%	R 113.91
R 156.00	R 135.65		(b) Rural areas	15.0%	**R 165.00**	5.77%	R 174.00	5.45%	R 182.00	4.60%	R 143.48
R 221.00	R 192.17		(c) All areas after hours	15.0%	**R 234.00**	5.88%	R 248.00	5.98%	R 260.00	4.84%	R 203.48
		6.3.3.3	Special meter reading as per Article 52(3) per reading per meter								
R 187.00	R 162.61		(a) Urban areas	15.0%	**R 198.00**	5.88%	R 209.00	5.56%	R 219.00	4.78%	R 172.17
R 289.00	R 251.30		(b) Rural areas	15.0%	**R 306.00**	5.88%	R 324.00	5.88%	R 340.00	4.94%	R 266.09
R 16.00	R 13.91	6.3.3.4	Duplicate Identification Card: Pre-Paid electricity, per card.	15.0%	**R 17.00**	6.25%	R 15.00	-11.76%	R 15.00	0.00%	R 14.78
R 300.00	R 260.87	6.3.3.5	Switching Fee (Any call out for private purposes)	15.0%	**R 300.00**	New	R 318.00	6.00%	R 333.00	4.72%	R 260.87
		6.3.4	**Deposits - new buildings**								
R 2 179.00	R 2 179.00		Businesses	Exempt	**R 2 309.00**	5.97%	R 2 447.00	5.98%	R 2 569.00	4.99%	R 2 309.00
			Industries (Estimated on consumption)	Exempt							
			Residential clients								
R 318.00	R 318.00		With pre-paid electricity and water meter	Exempt	**R 337.00**	5.97%	R 357.00	5.93%	R 374.00	4.76%	R 337.00
R 513.00	R 513.00		With only a pre-paid electricity meter	Exempt	**R 543.00**	5.85%	R 575.00	5.89%	R 603.00	4.87%	R 543.00
R 1 218.00	R 1 218.00		All other residential clients	Exempt	**R 1 291.00**	5.99%	R 1 368.00	5.96%	R 1 436.00	4.97%	R 1 291.00

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Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.4.	**TECHNICAL SERVICES**								
		6.4.1.	**CIVIL SERVICES**								
		6.4.1.1	**Building Plan**								
R 22.00	R 19.13	**6.4.1.1.1**	Calculate on the gross covered area, to the nearest square meter - tariff per building plan per m²	15.0%	**R 24.00**	9.09%	R 26.00	8.33%	R 28.00	7.69%	R 20.87
			(Subject to the stipulation at 4.1.1.2 hereunder)								
			Industrial/commercial tariff per building plan per m²								
			(Subject to the stipulation at 4.1.1.2 hereunder)								
R 275.00	R 239.13		With a minimum building plan tariff	15.0%	**R 288.00**	4.73%	R 302.00	4.86%	R 317.00	4.97%	R 250.43
R 1 892.00			Building deposit	Exempt	**R 1 986.00**	4.97%	R 2 085.00	4.98%	R 2 189.00	4.99%	
R 150.00	R 130.43		In the event of illegal building operations without an approved plan, a charge of <u>three</u> times the above building plan fees plus the following tariff per day that the plan is outstanding, will apply:	15.0%	**R 157.00**	4.67%	R 164.00	4.46%	R 172.00	4.88%	R 136.52
R 461.00	R 400.87	**6.4.1.1.2**	Swimming pools - per application, irrespective of the size of the pool. Fixed tariff per swimming pool.	15.0%	**R 484.00**	4.99%	R 508.00	4.96%	R 533.00	4.92%	R 420.87
		6.4.1.1.3	**Advertising signs application**								
R 2 216.00	R 1 926.96		Permitted third party advertising sign (<2,0m²) per board	15.0%	**R 2 326.00**	4.96%	R 2 442.00	4.99%	R 2 564.00	5.00%	R 2 022.61
R 3 694.00	R 3 212.17		Permitted third party advertising sign (>2,0m²) per board	15.0%	**R 3 878.00**	4.98%	R 4 071.00	4.98%	R 4 274.00	4.99%	R 3 372.17
R 292.00	R 253.91		Advertising sign, direction indicator or name sign on building (<1,0m²) per sign	15.0%	**R 306.00**	4.79%	R 321.00	4.90%	R 337.00	4.98%	R 266.09
R 1 030.00	R 895.65		Advertising sign, direction indicator or name sign on building (<5,0m²) per sign	15.0%	**R 1 081.00**	4.95%	R 1 135.00	5.00%	R 1 191.00	4.93%	R 940.00
R 2 216.00	R 1 926.96		Advertising sign, direction indicator or name sign on building (>5,0m²) per sign	15.0%	**R 2 326.00**	4.96%	R 2 442.00	4.99%	R 2 564.00	5.00%	R 2 022.61
R 438.00	R 380.87		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<1,0m²) per board	15.0%	**R 459.00**	4.79%	R 481.00	4.79%	R 505.00	4.99%	R 399.13
R 1 548.00	R 1 346.09		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<5,0m²) per board	15.0%	**R 1 625.00**	4.97%	R 1 706.00	4.98%	R 1 791.00	4.98%	R 1 413.04
R 2 953.00	R 2 567.83		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (>5,0m²) per board	15.0%	**R 3 100.00**	4.98%	R 3 255.00	5.00%	R 3 417.00	4.98%	R 2 695.65
R 1 000.00	R 869.57		Removal of illegal sings or advertisements	15.0%	**R 1 000.00**	new	R 1 060.00	6.00%	R 1 113.00	5.00%	R 869.57
R 672.00	R 584.35	**6.4.1.1.4**	Internal Changes (All Buildings)	15.0%	**R 705.00**	4.91%	R 740.00	4.96%	R 777.00	5.00%	R 613.04
R 1 901.00	R 1 653.04	**6.4.1.1.5**	Major Hazard Installations	15.0%	**R 1 996.00**	5.00%	R 2 095.00	4.96%	R 2 199.00	4.96%	R 1 735.65
R 1 527.00	R 1 327.83	**6.4.1.1.6**	LPG Installations	15.0%	**R 1 603.00**	4.98%	R 1 683.00	4.99%	R 1 767.00	4.99%	R 1 393.91
R 2 636.00	R 2 292.17	**6.4.1.1.7**	Cellphone Mast	15.0%	**R 2 767.00**	4.97%	R 2 905.00	4.99%	R 3 050.00	4.99%	R 2 406.09
R 898.00	R 780.87	**6.4.1.1.8**	Extension of approved building plan (for consideration of extending plan validity. Extension must be applied to prior to lapse date of plan)	15.0%	**R 942.00**	4.90%	R 989.00	4.99%	R 1 038.00	4.95%	R 819.13
R 1 123.00	R 976.52	**6.4.1.1.9**	Demolition certificate	15.0%	**R 1 179.00**	4.99%	R 1 237.00	4.92%	R 1 298.00	4.93%	R 1 025.22
R 2 248.00	R 1 954.78	**6.4.1.1.10**	Temporary commencement of building work in terms of Article 7(6) NBR (Not refundable)	15.0%	**R 2 360.00**	4.98%	R 2 478.00	5.00%	R 2 601.00	4.96%	R 2 052.17
R 434.00	R 377.39	**6.4.1.1.11**	Minimum building fee	15.0%	**R 455.00**	4.84%	R 477.00	4.84%	R 500.00	4.82%	R 395.65
R 10 000.00	R 8 695.65	**6.4.1.1.12**	Penalty Fee for moving into house without occupation certificate	15.0%	**R 10 000.00**	New	R 10 499.00	4.99%	R 11 023.00	4.99%	R 8 695.65
		6.4.1.2	**Sewerage**	15.0%							
R 6 382.00	R 5 549.57		Sewerage connection, per connection	15.0%	**R 6 701.00**	5.00%	R 7 036.00	5.00%	R 7 387.00	4.99%	R 5 826.96
R 6 397.00	R 5 562.61		150 mm - connection to the maximum of 10 m in length	15.0%	**R 6 716.00**	4.99%	R 7 051.00	4.99%	R 7 403.00	4.99%	R 5 840.00
R 330.00	R 286.96		> 10 m lengths (per meter)	15.0%	**R 346.00**	4.85%	R 363.00	4.91%	R 381.00	4.96%	R 300.87
			Sewerage blockages: per blockage	15.0%							
R 601.00	R 522.61		Week days	15.0%	**R 631.00**	4.99%	R 662.00	4.91%	R 695.00	4.98%	R 548.70
R 1 061.00	R 922.61		Weekends and Public Holidays - per call-out	15.0%	**R 1 114.00**	5.00%	R 1 169.00	4.94%	R 1 227.00	4.96%	R 968.70
			Sewerage Connection (Per Connections) > 10 m lengths (per meter) - **Actual Cost**								
		6.4.1.3	**Water**								
		6.4.1.3.1	Water connection (per connection)								
R 3 146.00	R 2 735.65		Size: To 25 mm	15.0%	**R 3 303.00**	4.99%	R 3 468.00	5.00%	R 3 641.00	4.99%	R 2 872.17
R 4 018.00	R 3 493.91		32 mm	15.0%	**R 4 218.00**	4.98%	R 4 428.00	4.98%	R 4 649.00	4.99%	R 3 667.83
R 4 580.00	R 3 982.61		40 mm	15.0%	**R 4 809.00**	5.00%	R 5 049.00	4.99%	R 5 301.00	4.99%	R 4 181.74
R 9 381.00	R 8 157.39		50 mm	15.0%	**R 9 850.00**	5.00%	R 10 342.00	4.99%	R 10 859.00	5.00%	R 8 565.22
R 10 521.00	R 9 148.70		80 mm	15.0%	**R 11 047.00**	5.00%	R 11 599.00	5.00%	R 12 178.00	4.99%	R 9 606.09
R 12 118.00	R 10 537.39		100 mm	15.0%	**R 12 723.00**	4.99%	R 13 359.00	5.00%	R 14 026.00	4.99%	R 11 063.48
R 23 357.00	R 20 310.43		150 mm	15.0%	**R 24 524.00**	5.00%	R 25 750.00	5.00%	R 27 037.00	5.00%	R 21 325.22
		6.4.1.3.2	Smart Meter Connection (per connection)								
R 5 376.00	R 4 674.78		15 mm	15.0%	**R 5 644.00**	4.99%	R 5 926.00	5.00%	R 6 222.00	4.99%	R 4 907.83
R 5 476.00	R 4 761.74		20 mm	15.0%	**R 5 749.00**	4.99%	R 6 036.00	4.99%	R 6 337.00	4.99%	R 4 999.13
R 26 283.00	R 22 854.78		50 mm	15.0%	**R 27 597.00**	5.00%	R 28 976.00	5.00%	R 30 424.00	5.00%	R 23 997.39
		6.4.1.3.3	Testing of water meters (per test per water meter)	15.0%							
R 330.00	R 286.96		Size: To 205 mm	15.0%	**R 346.00**	4.85%	R 363.00	4.91%	R 381.00	4.96%	R 300.87
R 330.00	R 286.96		32	15.0%	**R 346.00**	4.85%	R 363.00	4.91%	R 381.00	4.96%	R 300.87
R 2 815.00	R 2 447.83		40	15.0%	**R 2 955.00**	4.97%	R 3 102.00	4.97%	R 3 257.00	5.00%	R 2 569.57
R 5 243.00	R 4 559.13		50	15.0%	**R 5 505.00**	5.00%	R 5 780.00	5.00%	R 6 069.00	5.00%	R 4 786.96
R 8 710.00	R 7 573.91		80	15.0%	**R 9 145.00**	4.99%	R 9 602.00	5.00%	R 10 082.00	5.00%	R 7 952.17
			Refundable where meter is found to be faulty.								

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Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.4.1.4	**Civil**								
			Motor driveways								
R 2 123.00	R 1 846.09		Single driveways (3,5m max) each	15.0%	**R 2 229.00**	4.99%	R 2 340.00	4.98%	R 2 457.00	5.00%	R 1 938.26
R 3 839.00	R 3 338.26		Double driveways (7,0m max) each	15.0%	**R 4 030.00**	4.98%	R 4 231.00	4.99%	R 4 442.00	4.99%	R 3 504.35
R 706.00	R 613.91		Placement of bridging/kerbing (each)	15.0%	**R 741.00**	4.96%	R 778.00	4.99%	R 816.00	4.88%	R 644.35
			Private tarring								
REMOVED	REMOVED		Double sealing, including preparation, per square meter	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
REMOVED	REMOVED		Pre-mix, including preparation, per square meter	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
REMOVED	REMOVED		Float seal on covered areas, per square meter	15.0%	**REMOVED**		**REMOVED**		**REMOVED**		**REMOVED**
			Any other private word (per quotation): Actual cost + 20 %	15.0%							
			Private work forms to be completed in all cases								
		6.4.1.5	**Plans: copies**								
R 100.00	R 86.96		Copies of plans per square meter size of plan	15.0%	**R 105.00**	5.00%	R 110.00	4.76%	R 115.00	4.55%	R 91.30
R 248.00	R 215.65		Copies: Sepia, per copy	15.0%	**R 260.00**	4.84%	R 273.00	5.00%	R 286.00	4.76%	R 226.09
R 292.00	R 253.91		Copies: Durester, per copy	15.0%	**R 306.00**	4.79%	R 321.00	4.90%	R 337.00	4.98%	R 266.09
R 11.00	R 9.57		A3 or A4 , per copy	15.0%	**R 12.00**	9.09%	R 13.00	8.33%	R 14.00	7.69%	R 10.43
		6.4.1.6	**Town Planning costs**								
			(In terms of Ordinance on Land Use Planning)								
R 1 595.00	R 1 386.96	6.4.1.6.1	Concessionary use, per application	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.2	Re-zoning, per property	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
		6.4.1.6.3	Departure Art 15(1)(a)(i)								
R 330.00	R 286.96		Erven <500m² per application	15.0%	**R 346.00**	4.85%	R 363.00	4.91%	R 381.00	4.96%	R 300.87
R 663.00	R 576.52		Erven 500m² - 750m² per application	15.0%	**R 696.00**	4.98%	R 730.00	4.89%	R 766.00	4.93%	R 605.22
R 1 595.00	R 1 386.96		Erven > 750m² per application	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96		Section 15(1)(a)(ii)(temporary) per application	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
		6.4.1.6.4	Sub-divisions: per application								
R 1 595.00	R 1 386.96		Up to 20 erven	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 71.00	R 61.74		More than 20 erven (Tariff 4.6.4.1 plus tariff per erven)	15.0%	**R 74.00**	4.23%	R 77.00	4.05%	R 80.00	3.90%	R 64.35
		6.4.1.6.5	Contribution to external services - New Developments (bulk services per site)	15.0%							
R 27 286.00	R 23 726.96		Tulbagh (Town area)	15.0%	**R 28 650.00**	5.00%	R 30 082.00	5.00%	R 31 586.00	5.00%	R 24 913.04
R 28 804.00	R 25 046.96		Tulbagh (Agricultural area, outside town area)	15.0%	**R 30 244.00**	5.00%	R 31 756.00	5.00%	R 33 343.00	5.00%	R 26 299.13
R 28 852.00	R 25 088.70		P A Hamlet	15.0%	**R 30 294.00**	5.00%	R 31 808.00	5.00%	R 33 398.00	5.00%	R 26 342.61
R 19 906.00	R 17 309.57		Other areas	15.0%	**R 20 901.00**	5.00%	R 21 946.00	5.00%	R 23 043.00	5.00%	R 18 174.78
		6.4.1.6.6	Contribution to external services - Applications for second unit on single plot (bulk services per site)								
		6.4.1.6.6.1	Tulbagh								
R 2 727.00	R 2 371.30		2nd unit smaller than 50 m²	15.0%	**R 2 863.00**	4.99%	R 3 006.00	4.99%	R 3 156.00	4.99%	R 2 489.57
R 13 642.00	R 11 862.61		2nd unit 50 m² - 120 m²	15.0%	**R 14 324.00**	5.00%	R 15 040.00	5.00%	R 15 792.00	5.00%	R 12 455.65
R 27 286.00	R 23 726.96		2nd unit larger than 120 m2	15.0%	**R 28 650.00**	5.00%	R 30 082.00	5.00%	R 31 586.00	5.00%	R 24 913.04
		6.4.1.6.6.2	PA Hamlet								
R 2 882.00	R 2 506.09		2nd unit smaller than 50 m²	15.0%	**R 3 026.00**	5.00%	R 3 177.00	4.99%	R 3 335.00	4.97%	R 2 631.30
R 14 425.00	R 12 543.48		2nd unit 50 m² - 120 m²	15.0%	**R 15 146.00**	5.00%	R 15 903.00	5.00%	R 16 698.00	5.00%	R 13 170.43
R 28 852.00	R 25 088.70		2nd unit larger than 120 m2	15.0%	**R 30 294.00**	5.00%	R 31 808.00	5.00%	R 33 398.00	5.00%	R 26 342.61
		6.4.1.6.6.3	All other areas								
R 1 988.00	R 1 728.70		2nd unit smaller than 50 m²	15.0%	**R 2 087.00**	4.98%	R 2 191.00	4.98%	R 2 300.00	4.97%	R 1 814.78
R 9 952.00	R 8 653.91		2nd unit 50 m² - 120 m²	15.0%	**R 10 449.00**	4.99%	R 10 971.00	5.00%	R 11 519.00	4.99%	R 9 086.09
R 19 906.00	R 17 309.57		2nd unit larger than 120 m2	15.0%	**R 20 901.00**	5.00%	R 21 946.00	5.00%	R 23 043.00	5.00%	R 18 174.78
R 7 500.00	R 6 521.74	6.4.1.6.6.4	Buyout of parking	15.0%	**R 7 500.00**		R 7 875.00	5.00%	R 8 268.00	4.99%	R 6 521.74
		6.4.1.6.7	Town Planning costs: (In terms of the Land Use Planning By-law)								
R 1 595.00	R 1 386.96	6.4.1.6.7.1	Public place closure	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.2	Restrictive condition	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.3	Deemed zoning	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.4	Amendment/cancellation of subdivision	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.5	Consolidation	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.6	Amendment of Condition	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.7	Extension of validity period	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.8	Lease area	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 1 595.00	R 1 386.96	6.4.1.6.7.9	Transfer certificate	15.0%	**R 1 674.00**	4.95%	R 1 757.00	4.96%	R 1 844.00	4.95%	R 1 455.65
R 12 597.00	R 10 953.91	6.4.1.6.7.10	SDF amendment	15.0%	**R 13 226.00**	4.99%	R 13 887.00	5.00%	R 14 581.00	5.00%	R 11 500.87
R 6 298.00	R 5 476.52		Strategic/High impact developments (incl. renewable energy & rezonings exceeding 10ha)	15.0%	**R 6 612.00**	4.99%	R 6 942.00	4.99%	R 7 289.00	5.00%	R 5 749.57
		6.4.1.7	**Industrial effluent**								
			Industries that dispose via the normal network								
As per contractual agreements			Industries that dispose directly into the sewage treatment works	15.0%	As per contractual agreements						
			Industries that exceed with disposal	15.0%							
		6.4.1.8	**Refuse removal**								
R 144.00	R 125.22		Receipt and processing of private dumping at dumping site, per cubic meter	15.0%	**R 152.00**	5.56%	R 161.00	5.92%	R 169.00	4.97%	R 132.17
R 291.00	R 253.04		Abattoir waste at dumping site, per cubic meter	15.0%	**R 308.00**	5.84%	R 326.00	5.84%	R 342.00	4.91%	R 267.83
R 23.00	R 20.00		Refuse bags (Black), per package of 25 bags	15.0%	**R 23.00**	0.00%	R 24.00	4.35%	R 25.00	4.17%	R 20.00
R 29.45	R 25.61		Refuse bags (Green), per package of 25 bags	15.0%	**R 29.45**	0.00%	R 31.00	5.26%	R 32.00	3.23%	R 25.61
R 8.60	R 7.48		Provision of refuse bins for special events - per bin per occasion	15.0%	**R 9.10**	5.81%	R 9.60	5.49%	R 10.20	6.25%	R 7.91
R 641.00	R 557.39		Advertisements on street refuse bins. Per advertisement per bin p/a	15.0%	**R 679.00**	5.93%	R 719.00	5.89%	R 754.00	4.87%	R 590.43
R 467.00	R 406.09		Refuse removal: special events (Festivals & Carnivals)	15.0%	**R 495.00**	6.00%	R 524.00	5.86%	R 550.00	4.96%	R 430.43
R 889.00	R 773.04		Hire of 6m skip for Garden refuse per day	15.0%	**R 942.00**	5.96%	R 998.00	5.94%	R 1 047.00	4.91%	R 819.13
R 72.00	R 62.61		Additonial day (Skip)	15.0%	**R 76.00**	5.56%	R 80.00	5.26%	R 84.00	5.00%	R 66.09
R 1 112.00	R 966.96		Special Garden Refuse removal per load. Approved manageable garden Refuse will be removed if it can be loaded onto truck after payment of an account is issued by Cleansing Department (Quotation)	15.0%	**R 1 178.00**	5.94%	R 1 248.00	5.94%	R 1 310.00	4.97%	R 1 024.35

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
		6.4.1.9	**Development Charges**								
		6.4.1.9.1	**Ceres (Zone 1)**								
R 4 768.22	R 4 146.28	6.4.1.9.1.1	Water: Unit of measurement R/kl/day	15.0%	**R 5 054.00**	5.99%	R 5 357.00	6.00%	R 5 624.00	4.98%	R 4 394.78
R 3 182.12	R 2 767.06	6.4.1.9.1.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3 373.00**	6.00%	R 3 575.00	5.99%	R 3 753.00	4.98%	R 2 933.04
R 667.61	R 580.53	6.4.1.9.1.3	Roads: Unit of measurement R/trips/day	15.0%	**R 707.00**	5.90%	R 749.00	5.94%	R 786.00	4.94%	R 614.78
R 92 563.85	R 80 490.30	6.4.1.9.1.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 98 117.00**	6.00%	R 104 004.00	6.00%	R 109 204.00	5.00%	R 85 319.13
R 1 333.02	R 1 159.15	6.4.1.9.1.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1 413.00**	6.00%	R 1 497.00	5.94%	R 1 571.00	4.94%	R 1 228.70
R 1 357.70	R 1 180.61	6.4.1.9.1.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1 439.00**	5.99%	R 1 525.00	5.98%	R 1 601.00	4.98%	R 1 251.30
		6.4.1.9.2	**ODB (Zone 2)**								
R 4 768.22	R 4 146.28	6.4.1.9.2.1	Water: Unit of measurement R/kl/day	15.0%	**R 5 054.00**	5.99%	R 5 357.00	6.00%	R 5 624.00	4.98%	R 4 394.78
R 3 182.12	R 2 767.06	6.4.1.9.2.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3 373.00**	6.00%	R 3 575.00	5.99%	R 3 753.00	4.98%	R 2 933.04
R 667.61	R 580.53	6.4.1.9.2.3	Roads: Unit of measurement R/trips/day	15.0%	**R 707.00**	5.90%	R 749.00	5.94%	R 786.00	4.94%	R 614.78
R 92 563.85	R 80 490.30	6.4.1.9.2.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 98 117.00**	6.00%	R 104 004.00	6.00%	R 109 204.00	5.00%	R 85 319.13
R 1 333.02	R 1 159.15	6.4.1.9.2.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1 413.00**	6.00%	R 1 497.00	5.94%	R 1 571.00	4.94%	R 1 228.70
R 1 357.70	R 1 180.61	6.4.1.9.2.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1 439.00**	5.99%	R 1 525.00	5.98%	R 1 601.00	4.98%	R 1 251.30
		6.4.1.9.3	**PAH (Zone 3)**								
R 4 768.22	R 4 146.28	6.4.1.9.3.1	Water: Unit of measurement R/kl/day	15.0%	**R 5 054.00**	5.99%	R 5 357.00	6.00%	R 5 624.00	4.98%	R 4 394.78
R 3 182.12	R 2 767.06	6.4.1.9.3.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3 373.00**	6.00%	R 3 575.00	5.99%	R 3 753.00	4.98%	R 2 933.04
R 667.61	R 580.53	6.4.1.9.3.3	Roads: Unit of measurement R/trips/day	15.0%	**R 707.00**	5.90%	R 749.00	5.94%	R 786.00	4.94%	R 614.78
R 92 563.85	R 80 490.30	6.4.1.9.3.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 98 117.00**	6.00%	R 104 004.00	6.00%	R 109 204.00	5.00%	R 85 319.13
R 1 333.02	R 1 159.15	6.4.1.9.3.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1 413.00**	6.00%	R 1 497.00	5.94%	R 1 571.00	4.94%	R 1 228.70
R 1 357.70	R 1 180.61	6.4.1.9.3.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1 439.00**	5.99%	R 1 525.00	5.98%	R 1 601.00	4.98%	R 1 251.30
		6.4.1.9.4	**Wolseley (Zone 4)**								
R 4 768.22	R 4 146.28	6.4.1.9.4.1	Water: Unit of measurement R/kl/day	15.0%	**R 5 054.00**	5.99%	R 5 357.00	6.00%	R 5 624.00	4.98%	R 4 394.78
R 3 182.12	R 2 767.06	6.4.1.9.4.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3 373.00**	6.00%	R 3 575.00	5.99%	R 3 753.00	4.98%	R 2 933.04
R 667.61	R 580.53	6.4.1.9.4.3	Roads: Unit of measurement R/trips/day	15.0%	**R 707.00**	5.90%	R 749.00	5.94%	R 786.00	4.94%	R 614.78
R 92 563.85	R 80 490.30	6.4.1.9.4.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 98 117.00**	6.00%	R 104 004.00	6.00%	R 109 204.00	5.00%	R 85 319.13
R 1 333.02	R 1 159.15	6.4.1.9.4.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1 413.00**	6.00%	R 1 497.00	5.94%	R 1 571.00	4.94%	R 1 228.70
R 1 357.70	R 1 180.61	6.4.1.9.4.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1 439.00**	5.99%	R 1 525.00	5.98%	R 1 601.00	4.98%	R 1 251.30
		6.4.1.9.5	**Tulbagh (Zone 5)**								
R 4 768.22	R 4 146.28	6.4.1.9.5.1	Water: Unit of measurement R/kl/day	15.0%	**R 5 054.00**	5.99%	R 5 357.00	6.00%	R 5 624.00	4.98%	R 4 394.78
R 3 182.12	R 2 767.06	6.4.1.9.5.2	Sewer: Unit of measurement R/kl/day	15.0%	**R 3 373.00**	6.00%	R 3 575.00	5.99%	R 3 753.00	4.98%	R 2 933.04
R 667.61	R 580.53	6.4.1.9.5.3	Roads: Unit of measurement R/trips/day	15.0%	**R 707.00**	5.90%	R 749.00	5.94%	R 786.00	4.94%	R 614.78
R 92 563.85	R 80 490.30	6.4.1.9.5.4	Storm water: Unit of measurement R/trips/day	15.0%	**R 98 117.00**	6.00%	R 104 004.00	6.00%	R 109 204.00	5.00%	R 85 319.13
R 1 333.02	R 1 159.15	6.4.1.9.5.5	Solid Waste: Unit of measurement R/kg/day	15.0%	**R 1 413.00**	6.00%	R 1 497.00	5.94%	R 1 571.00	4.94%	R 1 228.70
R 1 357.70	R 1 180.61	6.4.1.9.5.6	Electricity: Unit of measurement R/kVA	15.0%	**R 1 439.00**	5.99%	R 1 525.00	5.98%	R 1 601.00	4.98%	R 1 251.30
		6.4.1.10	**Wayleaves for the installation of services in the road reserve**								
		6.4.1.10.1	**Administration and Supervision (Per Application)**								
		6.4.1.10.1.1	Administration fee for a miscellaneous wayleave to use the road reserve for a period of one month or less other than to install an underground service	15.0%	**R 540.00**	New	R 572.00	5.93%	R 600.00	4.90%	R 469.57
		6.4.1.10.1.2	Administration fee for awayleave or permit to use the road reserve to install an underground service	15.0%	**R 1 836.00**	New	R 1 946.00	5.99%	R 2 043.00	4.98%	R 1 596.52
		6.4.1.10.1.3	Supervision fee for a wayleave to install an underground service	15.0%	**R 4 860.00**	New	R 5 151.00	5.99%	R 5 408.00	4.99%	R 4 226.09
		6.4.1.10.1.4	Unauthorised commencement of use of the road reservean	15.0%	**200% of above admin & supervision fees**	New	200% of above admin & supervision fees		200% of above admin & supervision fees		200% of above admin & supervision fees
		6.4.1.10.2	**Refundable deposit**								
		6.4.1.10.2.1	Trenches in roadways measured per m²	15.0%	**R 1 840.00**	New	R 1 950.00	5.98%	R 2 047.00	4.97%	R 1 600.00
		6.4.1.10.2.2	Trenches in surfaced sidewalks measured m²	15.0%	**R 821.00**	New	R 870.00	5.97%	R 913.00	4.94%	R 713.91
		6.4.1.10.2.3	Trenches in natural or grass sidewalks measured per m²	15.0%	**R 162.00**	New	R 171.00	5.56%	R 179.00	4.68%	R 140.87
		6.4.1.10.2.4	Use of the road reserve for storage or in conjunction with construction or maintenance per application	15.0%	**R 7 560.00**	New	R 8 013.00	5.99%	R 8 413.00	4.99%	R 6 573.91
		6.4.1.10.3	**Roadway Open Trench Fee**								
		6.4.1.10.3.1	Tariff for authorised trenching across a municipal roadway (per m measured from 0.5m behind the kerb or road edge)	15.0%	**R 6 048.00**	New	R 6 410.00	5.99%	R 6 730.00	4.99%	R 5 259.13
		6.4.1.10.3.2	Micro trenching (per m measured from 0.5m behind the kerb or road edge)	15.0%	**R 1 296.00**	New	R 1 373.00	5.94%	R 1 441.00	4.95%	R 1 126.96
		6.4.1.10.3.3	Tariff for unauthorised trenching across a municipal roadway (per m measured from 0.5m behind the kerb or road edge)	15.0%	**200% of the above**	New	**200% of the above**		**200% of the above**		**200% of the above**
		6.4.2.	**ELECTRICAL SERVICES**								
		6.4.2.1	**Re-connection after tampering with meters**								
			In terms of Section 14 of the Supply Regulations, per meter								
			Per re-connection								
R 1 681.00	R 1 461.74		First offence	15.0%	**R 1 781.00**	5.95%	R 1 887.00	5.95%	R 1 981.00	4.98%	R 1 548.70
R 3 366.00	R 2 926.96		Second offence	15.0%	**R 3 567.00**	5.97%	R 3 781.00	6.00%	R 3 970.00	5.00%	R 3 101.74
		6.4.2.2	**Repair to supply**								
			In terms of Section 22 of the Supply Regulations								
			Per repair to supply								
R 346.00	R 300.87		Urban areas	15.0%	**R 366.00**	5.78%	R 387.00	5.74%	R 406.00	4.91%	R 318.26
R 392.00	R 340.87		Rural areas	15.0%	**R 415.00**	5.87%	R 439.00	5.78%	R 460.00	4.78%	R 360.87
			In terms of Section 28 of the Supply Regulations								
			Per re-connection (Section 28(1))								
R 165.00	R 143.48		Urban areas	15.0%	**R 174.00**	5.45%	R 184.00	5.75%	R 193.00	4.89%	R 151.30
R 208.00	R 180.87		Rural areas	15.0%	**R 220.00**	5.77%	R 233.00	5.91%	R 244.00	4.72%	R 191.30
		6.4.2.3	**Verification of electricity meter**								
			In terms of Section 51 (3)								
			Per testing of meter								
			Urban areas								
R 614.00	R 533.91		(i) Single Phase electro-mechanical, per meter	15.0%	**R 650.00**	5.86%	R 689.00	6.00%	R 723.00	4.93%	R 565.22
R 803.00	R 698.26		(ii) Three Phase electro-mechanical, per meter	15.0%	**R 851.00**	5.98%	R 902.00	5.99%	R 947.00	4.99%	R 740.00
R 596.00	R 518.26		(iii) Single phase pre-paid meter, per meter	15.0%	**R 631.00**	5.87%	R 668.00	5.86%	R 701.00	4.94%	R 548.70
R 785.00	R 682.61		(iv) Three phase pre-paid meter, per meter	15.0%	**R 832.00**	5.99%	R 881.00	5.89%	R 925.00	4.99%	R 723.48

RATES AND TARIFFS 2020/2021 - 2022/2023

Tariffs 2019/2020 Including Vat	Tariffs 2019/2020 Excluding Vat		Description	VAT Status	Tariffs 2020/2021 Including Vat	Variance	Indicative Tariffs 2021/2022 Including Vat	Variance	Indicative Tariffs 2022/2023 Including Vat	Variance	Tariffs 2020/2021 Excluding Vat
R 918.00	R 798.26		(v) KVA / kWh meter, per meter	15.0%	**R 973.00**	5.99%	R 1 031.00	5.96%	R 1 082.00	4.95%	R 846.09
R 262.00	R 227.83		(vi) Meter verifying	15.0%	**R 277.00**	5.73%	R 293.00	5.78%	R 307.00	4.78%	R 240.87
			Rural areas								
R 668.00	R 580.87		(i) Single phase electro-mechanical, per meter	15.0%	**R 708.00**	5.99%	R 750.00	5.93%	R 787.00	4.93%	R 615.65
R 859.00	R 746.96		(ii) Three phase electro-mechanical, per meter	15.0%	**R 910.00**	5.94%	R 964.00	5.93%	R 1 012.00	4.98%	R 791.30
R 656.00	R 570.43		(iii) Single Phase pre-paid meter, per meter	15.0%	**R 695.00**	5.95%	R 736.00	5.90%	R 772.00	4.89%	R 604.35
R 845.00	R 734.78		(iv) Three phase pre-paid meter per meter	15.0%	**R 895.00**	5.92%	R 948.00	5.92%	R 995.00	4.96%	R 778.26
R 976.00	R 848.70		(v) KVA / kWh meter per meter	15.0%	**R 1 034.00**	5.94%	R 1 096.00	6.00%	R 1 150.00	4.93%	R 899.13
R 315.00	R 273.91		(vi) Meter verifying	15.0%	**R 333.00**	5.71%	R 352.00	5.71%	R 369.00	4.83%	R 289.57
		6.4.2.4	**Single phase connection**								
R 13 673.00	R 11 889.57		Single phase connection with underground cable and electro-mechanical meter, per connection	15.0%	**R 14 493.00**	6.00%	R 15 362.00	6.00%	R 16 130.00	5.00%	R 12 602.61
R 13 673.00	R 11 889.57		Single phase connection with underground cable and pre-paid meter, per connection	15.0%	**R 14 493.00**	6.00%	R 15 362.00	6.00%	R 16 130.00	5.00%	R 12 602.61
R 9 511.00	R 8 270.43		Single phase connection with overhead cable and electro-mechanical meter, per connection	15.0%	**R 10 081.00**	5.99%	R 10 685.00	5.99%	R 11 219.00	5.00%	R 8 766.09
R 9 511.00	R 8 270.43		Single phase connection with overhead cable and pre-paid meter, per connection	15.0%	**R 10 081.00**	5.99%	R 10 685.00	5.99%	R 11 219.00	5.00%	R 8 766.09
R 10 699.00	R 9 303.48		Informal Single phase overhead connection with pre-paid meter and ready board	15.0%	**R 11 340.00**	5.99%	R 12 020.00	6.00%	R 12 621.00	5.00%	R 9 860.87
R 905.00	R 786.96		Change from electro-mechanical meter to automat meter, per change	15.0%	**R 959.00**	5.97%	R 1 016.00	5.94%	R 1 066.00	4.92%	R 833.91
		6.4.2.5	**Temporary connection**								
			Temporary connections are supplied at the tariffs mentioned in 4.2.4 for a single phase connection, and at actual cost for a three phase connection. The cost or tariff payment is deemed as a deposit. On termination of the account, the deposit is refunded after the cost of consumption, any damage to the equipment, and a 20 % administrative charge have been recovered. The connection is supplied in accordance with the Municipality's Electricity by-laws, as amended.								
R 8 566.00	R 7 448.70	**6.4.2.6**	Government-subsidised housing - (20 % admin. Charges not included)	15.0%	**R 9 079.00**	5.99%	R 9 623.00	5.99%	R 10 104.00	5.00%	R 7 894.78

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Budget Related Policies 2018/2019

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BUDGET POLICY

Date of implementation 01 July 2010

Adopted by Council 15/06/2010

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1. DEFINITIONS

"Accounting Officer"

(a) means the City Manager;

"Allocation", means

(a) a municipality's share of the local government's equitable share referred to in section 214(l) (a) of the Constitution;

(b) an allocation of money to a municipality in terms of section 214(1) (c) of the Constitution;

(c) an allocation of money to a municipality in terms of a provincial budget; or

(d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

"Annual Division of Revenue Act" means the Act of Parliament, which must be enacted annually in terms of section 214 (1) of the Constitution;

"Approved budget," means an annual budget

(a) approved by a municipal council in terms of section 24 of the MFMA, or

(b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA;

"Basic Municipal Service" means a municipal service that is necessary to ensure an acceptable and Reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"Budget-related Policy" means a policy of a municipality affecting or affected by the annual budget of the municipality, including

(a) the tariffs policy, which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
(b) the rates policy which the municipality must adopt in terms of section 3 of the municipal property rates Act;
(c) the credit control and debt collection policy, which the municipality must adopt in terms of section 96 of the Municipal Systems Act;
(d) the cash management and investment policy which the municipality must adopt in terms of section 13(2) of the Act;
(e) a borrowing policy which must comply with Chapter 6 of the Act;
(f) a funding and reserves policy;
(g) a policy related to the long-term financial plan;
(h) the supply chain management policy which the municipality is required o adopt in terms of section 111 of the Act;
(i) any policies dealing with the management and disposal of assets;
(j) any policies dealing with infrastructure investment and capital projects, including –
    (i) the policy governing the planning and approval of capital projects; and
    (ii) the policy on developer contributions for property developments;

(k) the indigents policy of the municipality;
(l) any policies related to the provision of free basic services;
(m) any policies related to budget implementation and monitoring including –
  (i) a policy dealing with the shifting of funds within votes;
  (ii) a policy dealing with unforeseen and unavoidable expenditure; and
  (iii) policies dealing with management and oversight;
(n) any policies related to the managing electricity and water including -
  (i) a policy related to the management of losses; and
  (ii) a policy to promote conservation and efficiency;
(o) any polices related to personnel including polices on overtime, vacancies and temporary staff;
(p) any policies dealing with municipal entities, including –
  (i) the service delivery agreement; and
  (ii) the dividend preference of the municipality; and
(q) any other budget-related or financial management policies of the municipality.

"Budget transfer" means transfer of funding within a function / vote.

"Budget Year" means the financial year of the municipality for which an annual budget is to be approved in terms of section 16(1) of the MFMA;

"chief financial officer" means a person designated in terms of section 80(2) (a) of the MFMA;

"councillor" means a member of a municipal council;

"creditor", means a person to whom money is owed by the municipality;

"current year" means the financial year, which has already commenced, but not yet ended;

"delegation", in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

"financial recovery plan" means a plan prepared in terms of section 141 of the MFMA

"financial statements", means statements consisting of at least

(a) a statement of financial position;

(b) a statement of financial performance;

(c) a cash-flow statement;

(d) any other statements that may be prescribed; and

(e) any notes to these statements;

"financial year" means a twelve months period commencing on 1 July and ending on 30 June each year

"financing agreement" includes any loan agreement, lease, and instalment purchase contract or hire purchase arrangement under which a municipality undertakes to repay a long-term debt over a period of time;

"fruitless and wasteful expenditure" means expenditure that was made in vain and would have been avoided had reasonable care been exercised;

"irregular expenditure", means

(a) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in Accordance with, a requirement of the MFMA Act, and which has not been condoned in terms of section 170 of the MFMA;

(b) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;

(c) expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 (Act No. 20 of 1998); or

(d) expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the definition of "unauthorised expenditure";

"investment", in relation to funds of a municipality, means

(a) the placing on deposit of funds of a municipality with a financial institution; or
(b) the acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

"lender", means a person who provides debt finance to a municipality;

"local community" has the meaning assigned to it in section 1 of the Municipal Systems Act;

"Municipal Structures Act" means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

"Municipal Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

"long-term debt" means debt repayable over a period exceeding one year;

"executive mayor" means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act;

"municipal council" or "council" means the council of a municipality referred to in section 18 of the Municipal Structures Act;

"municipal debt instrument" means any note, bond, debenture or other evidence of indebtedness issued by a municipality, including dematerialised or electronic evidence of indebtedness intended to be used in trade;

"municipal entity" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipality"

(a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or
(b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

"accounting officer" means a person appointed in terms of section 82(l) (a) or (b) of the Municipal Structures Act;

"municipal service" has the meaning assigned to it in section 1 of the Municipal Systems Act (refer to the MSA for definition);

"municipal tariff" means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

"municipal tax" means property rates or other taxes, levies or duties that a municipality may impose;

"National Treasury" means the National Treasury established by section 5 of the Public Finance Management Act;

"official", means

(a) an employee of a municipality or municipal entity;
(b) a person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or
(c) a person contracted by a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity otherwise than as an employee;

"overspending"

(a) means causing the operational or capital expenditure incurred by the municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;

(b) in relation to a vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
(c) in relation to expenditure under section 26 of the MFMA, means causing expenditure under that section to exceed the limits allowed in subsection (5) of this section;

"past financial year" means the financial year preceding the current year;

"quarter" means any of the following periods in a financial year:

(a) 1 July to 30 September;
(b) 1 October to 31 December;
(c) 1 January to 31 March; or
(d) 1 April to 30 June;

"service delivery and budget implementation plan" means a detailed plan approved by the executive mayor of a municipality in terms of section 53(l)(c)(ii) of the MFMA for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate

(a) projections for each month of(
  (i) revenue to be collected, by source; and
  (ii) operational and capital expenditure, by vote;
(b) service delivery targets and performance indicators for each quarter; and
(c) any other matters that may be prescribed, and includes any revisions of such plan by the executive mayor in terms of section 54(l) (c) of the MFMA;

"short-term debt" means debt repayable over a period not exceeding one year;

"standards of generally recognised accounting practice", means an accounting practice complying with standards applicable to municipalities or municipal entities as determined by the Accounting Standards Board

"unauthorised expenditure", means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3) of the MFMA, and includes

(a) overspending of the total amount appropriated in the municipality's approved budget;
(b) overspending of the total amount appropriated for a vote in the approved budget;
(c) expenditure from a vote unrelated to the department or functional area covered by the vote;
(d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
(e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
(f) a grant by the municipality otherwise than in accordance with the MFMA;

"virement" means transfer of funds between functions / votes

"vote" means

(a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
(b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

2. INTRODUCTION

In terms of the Municipal Finance Management Act, No. 56 of 2003, Chapter 4 on Municipal Budgets, subsection (16), states that the council of a municipality must for each financial year approve an annual budget for the municipality before the commencement of that financial year. According to subsection (2) of the Act concerned, in order to comply with subsection (1), the executive mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. This policy must be read, analysed, explained, interpreted, implemented and understood against this legislative background. The budget plays a critical role in an attempt to realise diverse community needs. Central to this, the formulation of a municipality budget must take into account the government's macro-economic and fiscal policy fundamentals. In brief, the conceptualisation and the operationalisation of the budget must be located within the national government's policy framework.

3. OBJECTIVE

The objective of the budget policy is to set out:

- The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget,
- The responsibilities of the executive mayor, the accounting officer, the chief financial officer and other senior managers in compiling the budget
- To establish and maintain procedures to ensure adherence to Witzenberg Municipality's IDP review and budget processes.

4. BUDGETING PRINCIPLES

- The municipality shall not budget for a cash deficit and should also ensure that revenue projections in the budget are realistic taking into account actual collection levels.
- Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- Witzenberg Municipality shall prepare three-year budget (medium term revenue and expenditure framework (MTREF)) and that be reviewed annually and approved by Council.
- The MTREF budget must at all times be within the framework of the Municipal Integrated Development Plan.

5. BUDGET PREPARATION PROCESS

5.1. Formulation of the budget

(a) The Accounting Officer with the assistance of the Chief Financial Officer, Manager Financial Administration and the Manager IDP shall draft the IDP process plan as well as the budget timetable for the municipality including municipal entities for the ensuing financial year.

(b) The executive mayor shall table the IDP process plan as well as the budget timetable to Council not later than 31 August of each year for approval (10 months before the start of the next budget year).

(c) IDP process plan as well as the budget timetable shall indicate the key deadlines for the review of the IDP as well as the preparation of the medium term revenue and expenditure framework budget and the revision of the annual budget. Such target dates shall follow the prescriptions of the Municipal Finance Management Act, Municipal Budget and reporting regulations as well as the guidelines set by National Treasury.

(d) The Executive Mayor shall convene a strategic workshop in September/October with the mayoral committee and senior managers in order to determine the IDP priorities which will form the basis for the preparation of the MTREF budget taking into account the financial and political pressures facing the municipality. The executive mayor shall table the IDP priorities with the draft budget to Council.

(e) The Executive Mayor shall table the draft IDP and MTREF budget to council by 31 March of each year (90 days before the start of the new budget year) together with the draft resolutions and budget related policies.

(f) The Chief Financial Officer and senior managers undertake the technical preparation of the budget.

(g) The budget must be in the prescribed format by National Treasury, and must be divided into capital and operating budget.

(h) The budget must reflect the realistically expected revenues by major source for the budget year concerned.

(i) The expenses reflected in the budget must be divided into items.

(j) The budget must contain the information related to the two financial years following the financial year to which the budget relates, as well as the estimated revenues and expenses for the current year and the two prior year actual revenue and expenditures.

5.2. Public participation process

Immediately after the draft annual budget has been tabled, the municipality must convene hearings on the draft budget in April and invite the public, stakeholder organisations, to make representation at the council hearings and to submit comments in response to the draft budget.

5.3. Approval of the budget

(a) Council shall consider the next medium term expenditure framework budget for approval not later than 31 May (30 days before the start of the budget year).

(b) The council resolution, must contain budget policies and performance measures be adopted.

(c) Should the municipality fail to approve the budget before the start of the budget year, the executive mayor must inform the MEC for Finance that the budget has not been approved.

(d) The budget tabled to Council for approval shall include the following supporting documents:

i. draft resolutions approving the budget;
ii. and levying property rates, other taxes and tariffs for the financial year concerned;
iii. measurable performance objectives for each budget vote, taking into account the municipality's IDP;
iv. the projected cash flows for the financial year by revenue sources and expenditure votes;
v. any proposed amendments to the IDP;
vi. any proposed amendments to the budget-related policies;
vii. the cost to the municipality of the salaries, allowances and other benefits of its political office bearers and other councillors, the accounting officer, the chief financial officer, and other senior managers;
viii. particulars of any proposed allocations or grants to other municipalities, municipal entities, external mechanisms assisting the municipality in service delivery, other organs of state, and organisations such as Non-Governmental Organisations, welfare institutions and so on;
ix. particulars of the municipality's investments; and

x. various information in regard to municipal entities under the shared or sole control of the municipality

5.4. Publication of the budget

(a) Within 14 days after the draft annual budget has been tabled, the Director must post the budget and other budget-related documentation onto the municipal website so that it is accessible to the public.

(b) The Chief Financial Officer must within 14 days after the draft annual budget is tabled:

(i) submit the approved budget in both printed and electronic formats to the National Treasury, the Provincial Treasury as well as post it on the municipal website.

(ii) ensure that a newspaper advertisement is placed that the draft budget is available at the Municipal offices and available for comments.

5.5. Service Delivery and Budget Implementation Plan (SDBIP)

(a) The Executive mayor must approve the Service Delivery and Budget Implementation Plan not later than 28 days after the approval of the Budget by Council.

(b) The SDBIP shall include the following components:

(i) Monthly projections of revenue to be collected for each source

(ii) Monthly projections of expenditure (operating and capital) and revenue for each vote

(iii) Quarterly projections of service delivery targets and performance indicators for each vote

(iv) Ward information for expenditure and service delivery

(v) Detailed capital works plan broken down by ward over three years

6. CAPITAL BUDGET

(a) Expenditure of a project shall be included in the capital budget if it meets the asset definition i.e. if it results in an asset being acquired or created and has a useful life in excess of one year.

(b) The capital budget shall distinguish between replacement and new assets.

(c) A municipality may spend money on a capital project only if the money for the project has been appropriated in the capital budget.

(d) The envisaged sources of funding for the capital budget must be properly considered and the Council must be satisfied that this funding is available and has not been committed for other purposes.

(e) Before approving a capital project, the Council must consider:

(i) the projected cost of the project over all the ensuing financial years until the project becomes operational,

ii. future operational costs and any revenues, which may arise in respect of such project, including the likely future impact on operating budget (i.e. on property rates and service tariffs).

(f) Before approving the capital budget, the council shall consider:

(i) the impact on the present and future operating budgets of the municipality in relation to finance charges to be incurred on external loans,

(ii) depreciation of fixed assets,

(iii) maintenance of fixed assets, and

(iv) any other ordinary operational expenses associated with any item on such capital budget.

(g) Council shall approve the annual or adjustment capital budget only if it has been properly cash funded.

(h) The capital expenditure shall be funded from the following sources:

(i) Revenue or Surplus

- If any project is to be financed from revenue this financing must be included in the cash budget to raise sufficient cash for the expenditure.

- If the project is to be financed from surplus there must be sufficient cash available at time of execution of the project.

(ii) External loans

- External loans can be raised only if it is linked to the financing of an asset;
- A capital project to be financed from an external loan can only be included in the budget if the loan has been secured or if can be reasonably assumed as being secured;
- The loan redemption period should not exceed the estimated life span of the asset. If this happens the interest payable on the excess redemption period shall be declared as fruitless expenditure;
- Interest payable on external loans shall be included as a cost in the operating budget;
- Finance charges relating to such loans shall be charged to or apportioned only between the departments or votes to which the projects relate.

Capital Replacement Reserve (CRR)

- Council shall establish a CRR for the purpose of financing capital projects and the acquisition of assets. Such reserve shall be established from the following sources of revenue:

  - inappropriate cash-backed surpluses to the extent that such surpluses are not required for operational purposes;
  - interest on the investments of the CRR, appropriated in terms of the investments policy;
  - additional amounts appropriated as contributions in each annual or adjustments budget; and
  - interact on investments of unutilised grants;
  - only VAT claimed back on grants and subsidies; and
  - Sale of land and profit or loss on the sale of assets.

- Before any asset can be financed from the CRR the financing must be available within the reserve and available as cash as this fund must be cash backed;

- If there is insufficient cash available to fund the CRR this reserve fund must then be adjusted to equal the available cash;

- Transfers to the CRR must be budgeted for in the cash budget

Grant Funding

- Non capital expenditure funded from grants
  - must be budgeted for as part of the revenue budget;
  - Expenditure must be reimbursed from the funding creditor and transferred to the operating and must be budgeted for as such.
  - Capital expenditure must be budgeted for in the capital budget;

- Grant funding does not need to be cash backed but cash should be secured before spending can take place.
- All unutilized grants received must be ring fenced and cash backed by means of an investment.

7. OPERATING BUDGET

(a) The municipality shall budget in each annual and adjustments budget for the contribution to:

(i) provision for accrued leave entitlements equal to 100% of the accrued leave
(ii) entitlement of officials as at 30 June of each financial year,
(iii) provision for the impairment of debtors taking into account prior year, current year improvements and future improvement in debt collection percentages.
(iv) provision for the obsolescence and deterioration of stock in accordance with its stores management policy
(v) Depreciation and finance charges shall be charged to or apportioned only between the departments or votes to which the projects relate.
(vi) At least 5% of the operating budget component of each annual and adjustments budget shall be set aside for maintenance.

(b) When considering the draft annual budget, council shall consider the impact, which the proposed increases in rates and service tariffs will have on the monthly municipal accounts of households.

(c) The impact of such increases shall be assessed on the basis of a fair sample of randomly selected accounts.

(d) The operating budget shall reflect the impact of the capital component on:

- depreciation charges
- repairs and maintenance expenses
- interest payable on external borrowings.
- other operating expenses.

(e) The chief financial officer shall ensure that the cost of indigent relief is separately reflected in the appropriate votes.

8. FUNDING OF CAPITAL AND OPERATING BUDGET

(a) The budget may be financed only from:

(i) realistically expected revenues, based on current and previous collection levels;
(ii) cash-backed funds available from previous surpluses where such funds are not required for other purposes; and
(iii) borrowed funds in respect of the capital budget only.

9. UNSPENT FUNDS / ROLL OVER OF BUDGET

(a) The appropriation of funds in an annual or adjustments budget will lapse to the extent that they are unspent by the end of the relevant budget year, but except for funds relating to capital expenditure.

(b) Only unspent grant (if the conditions for such grant funding allows that) or loan funded capital budget may be rolled over to the next budget year

(c) Conditions of the grant fund shall be taken into account in applying for such roll over of funds

(d) Application for roll over of funds shall be forwarded to the budget office by the 15th of April each year to be included in next year's budget for adoption by Council in May.

(e) No funding for projects funded from the Capital Replacement Reserve shall be rolled over to the next budget year except in cases where a commitment has been made at least 30 days (31 May each year) prior the end of that particular financial year.

(f) No unspent operating budget shall be rolled over to the next budget year

10. BUDGET TRANSFERS AND VIREMENTS

Budget transfers and veriments are dealt with in terms of the councils Budget Veriment Policy.

11. ADJUSTMENT BUDGET

Each adjustments budget shall reflect realistic excess, however nominal, of current revenues over expenses.

(a) The chief financial officer shall ensure that the adjustments budgets comply with the requirements of the National Treasury reflect the budget priorities determined by the executive mayor, are aligned with the IDP, and comply with all budget-related policies, and shall make recommendations to the executive mayor on the revision of the IDP and the budget-related policies where these are indicated.

(b) Council may revise its annual budget by means of an adjustments budget in terms of section 28 of the MFMA and according to the timelines of the Municipal Budget and reporting regulations section 23.

(c) The Accounting Officer must promptly adjust its budgeted revenues and expenses if a material under-collection of revenues arises or is apparent.

(d) The Accounting Officer shall appropriate additional revenues, which have become available but only to revise or accelerate spending programmes already budgeted for or any areas of critical importance identified by Council.

(e) The Council shall in such adjustments budget, and within the prescribed framework, confirm unforeseen and unavoidable expenses on the recommendation of the Executive Mayor.

(f) An adjustments budget must contain all of the following:
   (i) an explanation of how the adjustments affect the approved annual budget;
   (ii) appropriate motivations for material adjustments; and
   (iii) an explanation of the impact of any increased spending on the current and future annual budgets.

(g) Any inappropriate surplus from previous financial years, even if fully cash-backed, shall not be used to balance any adjustments budget, but shall be appropriated to the municipality's capital replacement reserve.

(h) Municipal taxes and tariffs may not be increased during a financial year except if required in terms of a financial recovery plan.

(i) Unauthorised expenses may be authorised in an adjustments budget.

(j) In regard to unforeseen and unavoidable expenditure, the following apply:
   (i) the Executive mayor may authorise such expenses in an emergency or other exceptional circumstances in terms of Section 29 of the MFMA;
   (ii) the authorized amount may not exceed 4 % of the approved own revenue included in the annual budget in respect of such unforeseen and unavoidable expenses;
   (iii) these expenses must be reported by the Executive mayor to the next Council meeting;
   (iv) the expenses must be appropriated in an adjustments budget; and
   (v) Council must pass the adjustments budget within sixty days after the expenses were incurred.

12. BUDGET IMPLEMENTATION

12.1 Monitoring

(a) The accounting officer with the assistance of the chief financial officer and other senior managers is responsible for the implementation of the budget, and must take reasonable steps to ensure that:
- funds are spent in accordance with the budget;
- expenses are reduced if expected revenues are less than projected; and
- revenues and expenses are properly monitored.

(b) The Accounting officer with the assistance of the chief financial officer must prepare any adjustments budget when such budget is necessary and submit it to the Executive mayor for consideration and tabling to Council.

(c) The Accounting officer must report in writing to the Council any impending shortfalls in the annual revenue budget, as well as any impending overspending, together with the steps taken to prevent or rectify these problems.

12.2 Reporting

12.2.1 Monthly budget statements

(a) The accounting officer with the assistance of the chief financial officer must, not later than ten working days after the end of each calendar month, submit to the Executive mayor and Provincial and National Treasury a report in the prescribed format on the state of the municipality's budget for such calendar month, as well as on the state of the budget cumulatively for the financial year to date.

This report must reflect the following:

(i) actual revenues per source, compared with budgeted revenues;
(ii) actual expenses per vote, compared with budgeted expenses;
(iii) actual capital expenditure per vote, compared with budgeted expenses;

(iv) actual borrowings, compared with the borrowings envisaged to fund the capital budget;
(v) the amount of allocations received, compared with the budgeted amount;
(vi) actual expenses against allocations, but excluding expenses in respect of the equitable share;
(vii) explanations of any material variances between the actual revenues and expenses as indicated above and the projected revenues by source and expenses by vote as set out in the service delivery and budget implementation plan;
(viii) the remedial or corrective steps to be taken to ensure that the relevant projections remain within the approved or revised budget; and
(ix) projections of the revenues and expenses for the remainder of the financial year, together with an indication of how and where the original projections have been revised.

(b) The report to the National Treasury must be both in electronic format and in a signed written document.

12.2.2 Quarterly Reports

(a) The Executive mayor must submit to Council within thirty days of the end of each quarter a report on the implementation of the budget and the financial state of affairs of the municipality.

12.2.3 Mid-year budget and performance assessment

(a) The Accounting officer must assess the budgetary performance of the municipality for the first half of the financial year, taking into account all the monthly budget reports for the first six months, the service delivery performance of the municipality as against the service delivery targets and performance indicators which were set in the service delivery and budget implementation plan.

(b) The Accounting officer must then submit a report on such assessment to the Executive mayor by 25 January each year and to Council, Provincial Treasury and National Treasury by 31 January each year.

(c) The Accounting officer may in such report make recommendations after considering the recommendation of the Chief Financial Officer for adjusting the annual budget and for revising the projections of revenues and expenses set out in the service delivery and budget implementation plan.

13. CONCLUSION

The Director Corporate Services must place on the municipality's official website the following:

- the annual and adjustments budgets and all budget-related documents;
- all budget-related policies;
- the integrated development plan
- the annual report;
- all performance agreements;
- all service delivery agreements;
- all long-term borrowing contracts;
- all quarterly and mid-year reports submitted the Council on the implementation of the budget and the financial state of affairs of the municipality.

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

TARIFF POLICY

Date of implementation: 1 July 2010

Reviewed and amendments by Council on:
20/04/2011
31/05/2012
29/05/2013
28/05/2014
30/05/2017
30/05/2019

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1. Introduction

Every Municipality is responsible for the drafting and annual revision of a tariffs policy within the framework provided by the Act on Municipal Systems.

2. Purpose

The purpose of the policy is to ensure that:

- the provisions of section 74 of the Act on Municipal Systems (Act 32 of 2000) are complied with;
- a properly documented policy is in place to determine how the tariffs of the Witzenberg Municipality are to be determined; and
- the tariffs are realistic and affordable.

3. Principles

The determination of tariffs should in all instances be based on sound economic principles. The Council's input is to ensure that the tariffs policy be reviewed and modified during the annual budgetary process.

3.1 Basic principles

The following principles, in addition to those enunciated in section 74 of Act 32 of 2000, were considered:

- Equalisation within the shortest possible time
- Affordability of service
- Discouragement of wastage through pricing mechanisms
- Ensuring adequate cash flow
- Simple and understandable structure
- Justifiable structure
- Transparent structure

3.2 The Municipal account

The accounts for property rates and services may not be viewed in isolation. They must be approached collectively in order to determine the most affordable amount to be paid by different clients as a total account.

3.3 Credit control

It is not possible to successfully calculate a tariffs structure without considering the provisions of an effective credit control system. Similarly, a credit control system cannot function without a sound tariffs policy drafted in support of the problems of indigent persons.

3.4 Costs of the provision of services and the calculation of tariffs

Tariffs must be capable of recovering the costs of the provision of a service. If a service should be run at a loss, there will by necessity have to be cross-subsidising from other services. It is therefore imperative that the tariffs for each service be accurately calculated and that the correct tariffs structure is accepted and implemented.

3.5 Socio-economic factors

As a result of non-payment, local authorities are experiencing problems with their cash flow. One of the most important reasons for non-payment is the failure of tariffs structures to make proper allowance for the socio-economic circumstances of the communities involved. The implementation of pre-paid electricity, as well as “free” water and electricity, partially address this problem.

Clients have been divided into the following categories:

- Clients unable to make any contribution towards the provision of services and who have to be subsidised fully.
- Clients who can afford a partial contribution and who need only to be subsidised partially.
- Users who can fully afford the services.

It is important to identify these categories and to plan the tariffs structures accordingly. The subsidies are derived from two sources, namely:

- Contributions by the State – The State determine the extent of these contributions from year to year and may increase or lower the contribution, while the needs of the local authority increase annually.
- Contributions from Municipal funds – These funds must be budgeted for.

Services may also be subsidised from a combination of the aforementioned funds.

The tariffs structure has been compiled in the following manner in order to make provision for subsidising:

- Fully subsidised in terms of the Indigent policy
- Full tariff payable.

3.6 Equalisation of principles

In order to accomplish the total legalisation of tariffs, the tariffs must as far as possible be standardised throughout the whole municipality. Unique circumstances of a particular town will, however, play a role in preventing the tariffs from being 100% identical throughout. The principles for the determination of the tariffs should however, never vary.

3.7 Phasing in of new tariffs structures

Time is needed for the phasing in of any new structure. In practice this will mean that different towns will be subjected to different tariff increases during the period of phasing in.

3.8 Profit-taking

The following goals for profit-taking are applicable within Witzenberg.

- Electricity - Profit of 15%
- Water - Profit of 15%
- Sewerage - Profit of 0,5%
- Refuse removal - Profit of 0,5%

3.9 Basic and Availability charges

Tariffs are set in a manner that will ensure sustainability of the service. Therefore basic services charges and service availability charges are levied on every site whether the service is utilized or not. The aim is to recover all fixed costs and a portion of the variable cost of the relevant service

4. Tariffs structure

4.1 Electricity

The following directions of the NER were considered during the drafting of the electricity tariffs structure:

- Tariffs must be economically sustainable.
- Clients must be given a choice of tariffs.
- The tariffs should be based on the costs of delivery, while also complying with the guidelines laid down in NRS 058.
- The tariffs must be transparent and the level of cross-subsidising must be known.
- The tariffs must be comparable with the tariffs of neighbouring suppliers
- The tariffs must be conveniently administered and must reflect the standard of service provision.

NERSA suggested five categories of tariffs to form the basis of the tariffs structure.

Name of Tariff	Tariff Components			
	Minimum levy (Rand/client/ month)	**Energy levy (Cent/ kWh)**	**Duration of use of energy tariff (Cent/ kWh)**	**Demand tariff (Rand/KVA)**
Singular energy tariff		√		
Dual tariff	√	√		
Dual time of consumption tariff	√		√	
Tripartite tariff	√	√		
Tripartite time of consumption tariff	√		√	√

The structuring of the tariffs structure for the provision of electricity, with due consideration of the NER directions, is based on the following principles:

- Structure is divided into client groups;
- A costing structure is allocated to each client group;
- Five tariffs structures and components were used as per the NER's directions;
- Profit-taking of the existing tariffs in the new structure;
- Phasing in of existing tariffs into new structure.

4.1.1 Client groups

The tariffs structure is divided into the following client groups:

- Residential clients
- Commercial clients
- Industrial clients
- Rural clients
- Large-scale clients

The classification of the client is left up to the client himself, and will largely be determined by the client's own needs.

- Street lights and sports bodies are identified as a special group.

4.1.2 Tariffs structures

The following tariffs are used:

- <u>Availability tariff</u>

This tariff is levied on all vacant premises with the potential of being linked to the municipal services.[1]

The availability tariff is levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

- Singular energy tariff

This structure is only available to clients who are residential, street lights or sports bodies. The tariff is based on the quantity kwh consumed. Provision is made for the following varying sizes of connections:

- Pre-paid meters up to 1 X 40A
- Single phase
- Three-phase

It is up to the client to decide which connection meets his particular requirements. Depending on the consumption of kWh, the client should decide whether a single-phased tariffs structure will suit his requirements better than a dual tariffs structure. The cut-off point is approximately 1 000kwh consumption.

- Dual tariff

This tariffs structure is available for commercial, rural and residential clients. The tariff consists of a minimum component and an energy component.

The minimum levy is a levy per month, or portion thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

The energy component is based on the kWh consumed from one reading to the next.

Two sizes of residential connections are provided:
- single phase
- three phase.

For the commercial client a distinction is made between single and three-phase supplies as well as between the following sizes per phase:

20A
40A
60A
80A
100A
150A
200A
250A

Rural clients are divided into smaller than 25KVA, larger than 25KVA but smaller than 50KVA and larger than 50KVA to a maximum of 100KVA. The energy tariff is divided into two tariffs, i.e. fewer than 1000 units and more than 1000 units during a period measured from one reading to the next.

[1] Amended by council on 28 May 2014

- Tripartite tariff

This tariffs structure is available to commercial, industrial, rural and large-scale clients.

As with the dual structure, the levies are based on a minimum as well as an energy levy. Additionally, however, a demand levy is imposed, based on the client's maximum demand during the previous month.

Within the groups, a distinction is made between:

Bigger than 1MVA high tension
Smaller than 1MVA high tension
Low tension

- Tripartite tariff for time of use

This tariffs structure is exactly the same as the tripartite tariff. It is also available to the same groups of clients. The only difference is that the time of consumption is linked to the tariff. The client has to apply for this tariff, usually following a thorough examination by him.

4.2 Water

4.2.1 Client groups

Recovery of the costs of the water service is not based only on consumption and the type of client, but also on the extent to which the client has access to the service and what the service must provide for, as well as the actual consumption. The principle of equity is taken into account when the client groups are classified.

Clients are classified in accordance with the size of their connections to the main supply. By classifying the client in accordance with the size of the connection, a more equitable basis for contributions towards costs is obtained than when a tariff is simply allocated to a certain type of consumer. In this way, cross-subsidising is largely eliminated.

2.2 Tariffs structures

The following tariffs structures will be in existence:

- Availability levy on all vacant premises within the town areas linked to the water network.
- Minimum levies for every size of connection with distinction being made between the following sizes:

Size of connections	**Factor**
Vacant premises	1.64
0-25mm	1.00
26-50mm	11.45
51-80mm	28.92
81-100mm	45.78
101-150mm	102.41
Client consuming > 20 000 kl./per month	2228.92
Un-metered connections	3.37

- The consumption tariff is a block tariff, with the client able to choose between block A and B:

- **Block A**

Consumption	Factor
0-6	0.32
7-30	0.92
31-60	0.92
61-300	0.92
Above 300	3.19

- **Block B**

Consumption	Factor
0-300	1.00
301-1000	1.00
1001-8000	0.97
Above 8000	0.97

- **Block C** (Only for consumers with consumption of over 20 000 kilolitres per month)

Consumption	Factor
0-20 000	0
Above 20 000	0.31

- **Block D** (Only municipal consumption)

Consumption	Factor
Above 0	0.26

The block tariffs should encourage consumption, but discourage abuse, with Block A for residential clients and Block B for commercial clients. The choice nevertheless remains the client's. The third block is clients with consumption of over 20 000 kilolitres per month.

The above factors will be phased out as the water demand is growing in relation to the water supply.[2]

- Pre-paid water tariff – This tariff is calculated together with the other tariffs with a factor of 0.85.

- Municipal tariff – A departmental tariff based on the size of the connection is levied together with a consumption tariff. The departmental levy is aimed at the mere recovery of maintenance and running costs. In calculating this, loan costs, administrative levies, provision for bad debts and profit-taking are not considered.

The availability and minimum levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

If a client on Block A consumption is higher than 300 kl of water per meter reading cycle, then that client may apply for relief if the client can proof that leakage existed. The relief application will be considered based on the following criteria:

(a) Usage portion of the client indicated that the clients consumption prior to the leakage was less than 300kl and
(b) Proof can be provided of the cost of repair of the leakage.

[2] Amended by Council resolution 30/05/2017

The account will be adjusted as follow:

A = Usage during period of meter reading (can be more than one period)
B = 300
C = Tariff of Block A for consumption (61 – 300)

Formula: A – B X C

If a client's consumption increased due to a leakage, an average consumption can be charged for a period not exceeding 3 months on submission of proof that the leakage existed and was subsequently repaired.

That the authority for the approval of the relief be assigned to the Manager: Income or Chief Financial Officer.[3]

Clients are entitled to one claim in a financial year for relief for high water accounts caused by leaking pipes and fittings. Any additional applications can only be approved by the Chief Financial Officer.[4]

4.2.3 Calculation of tariffs during water restrictions

Council determine water saving tariffs with the annual budget and tariff approval process. Provision is made for moderate and extreme restrictions.

4.3 Refuse removal

No distinction is made between fixed and variable costs in the costing structure of refuse removal.

The total costs are divided amongst the clients in relation to the municipal valuation of residential property.

All other consumers are billed according to the size and number of wheelie bins removed.

[5]Where more than one dwelling unit **or business unit**, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or **each business unit** shall for the purpose considered to be a consumer. This will be measured by electricity connection. Dwelling or business unit is define as a formal structure with a building plan. That discretion for possible exemption be given to the Accounting Officer regarding this paragraph to evaluate on a case by case basis.

4.3.1 Client groups

The following client groups are distinguished:

- Non Residential Clients with one removal per week
- Non Residential Clients with two removals per week
- Non Residential Clients with three removals per week
- Residential Clients with one removal per week

[3] Amended by Council resolution 27/8/2014
[4] Amended by Council resolution 30/05/2017
[5] Amended by Council resolution on 30/05/2019

4.3.2 Tariffs structure

A minimum tariff equal to one removal per week is levied on all commercial and industrial clients, irrespective of whether the service is utilised or not.

All levies are levied monthly or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

Non Residential Clients are compelled to use wheelie bins for refuse removal purposes. The minimum monthly charge will be equal to the charge for a 240L Wheelie Bin.

4.4 Sewerage

Different types of services provided by the Municipality are in existence in respect of sewerage. These include a water-closet system and a suction-drain system, primarily in Prince Alfred's Hamlet.

4.4.1 Costs structure and client groups

In order to determine a basis for the equitable sharing of costs, each client group's share in the costing structure should be considered.

Potential dumping is used as the fairest method. The client is levied in accordance with his dumping potential. This is determined by the size of the water connection to the property. The client with a bigger connection has the ability to dump more water into the sewerage system. The quantity of water used is not taken into account.

As sewage sludge is based on the flow of water, the costs are largely incurred in respect of the dumping into the sewage works and the treatment of the substances.

The following categories are distinguished:

- <20mm water connection
- 21-50mm water connection
- 80mm water connection
- 100mm water connection
- 150> water connection

A special category was created for Qbiqua Prison.

[6]Where more than one dwelling unit or business unit, as defined in the Council's zoning scheme regulations, is situated on a premises (such as a semi-detached dwelling or a block of flats etc.) each such a dwelling unit or each business unit shall for the purpose of this considered to be a consumer. This will be measured by electricity connection. Dwelling or business unit is define as a formal structure with a building plan. That discretion for possible exemption be given to the Accounting Officer regarding this paragraph to evaluate on a case by case basis.

[6] Amended by Council resolution on 30/05/2019

4.4.2 Water-closet system

For the purposes of classification where one connection is in place but more than one usage are separately operated on the premises, each separate usage is regarded as a connection in accordance with the classification under which such usage would normally be connected, but not bigger than the connection that serves the premises.
Examples of these are flats, shopping centres where sub-letting takes place and a residential house with a separate flat.

All levies are a monthly levy, or part thereof, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

A monthly availability levy is imposed on vacant premises where the possibility exists for the connection of a water-closet system to the main sewerage system. The tariff is calculated by dividing the total loan costs by the number of clients (built-up and vacant premises) and to divide that figure by twelve.

4.4.3 Suction-drain system

The suction-drain system is based on usage. Seepage systems which are never sucked make no contribution towards the costs of the service, although the service must still be provided. Fixed costs are accordingly recovered by consumer's tariffs and not by a fixed levy.

The suction-drain service structure entails the following:

- Availability levies are recovered monthly from all built-up properties in Prince Alfred's Hamlet.
- Variable costs which recover vehicle and personnel costs, are levied per suction service provided.
- A distinction is made between areas inside and outside the town area.

Based on vehicle costs, a kilometre tariff is recovered from clients outside the town area.

All levies, with the exception of the kilometre tariff and suction-drain service tariff, are imposed monthly or pro rata on both water-closet and suction-drain services, provided that where a resident is connected after the 15th of a month, a levy will only be imposed on the following month's account.

4.5 Property rates

The general valuation roll for Witzenberg will come into effect on 1 July 2013.[7] The Municipality has at its disposal a rates policy which addresses the following:

- Criteria for differentiated property rates categories
- Differentiated tariffs

The purpose of property rates is to recover costs that cannot be redeemed by tariff-recovering services or direct revenue.

[7] Amended by Council resolution 30/05/2017

5. Sundry Tariffs

The principles expounded for tariff construction, are also applicable to diverse tariffs.

5.1 Resorts

The full costs of the resorts must be recovered by the tariffs so that they place no further burden on the inhabitants of Witzenberg, while at the same time the utilisation of the resorts should be encouraged. The costs of the swimming baths within the resorts form part of the resorts' costs.

The following tariff groups are distinguished:

- Chalets or houses
- Caravan sites
- Semi-permanent camping sites
- Day visitors/motor vehicles
- Renting of conference facilities and halls

A distinction is also made in respect of seasons and the following seasons are defined:

<u>High season</u>

The period of 26 days during the December and January school holidays. Exact dates are determined from year to year

And

The four days coinciding with the Easter weekend during March or April.

<u>In-season</u>

From the commencement of the Western Cape's school holidays during September until the end of April, excluding the high seasons indicated above.
<u>Off-season</u>

All other days, excluding high season and in-season.

A further distinction exists between weekends and weekdays in the event of high season and in-season. No such distinction exists during the off-season.

The following rebates will be given:

(a) Rebate of 25 % for bookings during weekdays except in school holidays of the Western Cape;
(b) Pensioners qualifies for a rebate of 50 % in off-season;
(c) Students accompanied by parents receives 12 % discount on day visit tariffs;
(d) 50 % rebate for bookings of conference facilities where 5 or more chalets or houses are booked and occupied.

The Director: Community Services may use his/her discretion in terms of the delegation of powers to grant rebates other than stipulated above based on occupation rate and tourism potential.

5.2 Tariffs for halls

Tariffs are levied for the use of municipal halls (e.g. Community halls).

5.2.1 Tariff

All halls must be graded in accordance with their size, condition and available facilities, in the following grades:

A-grade	=	100%
B-grade	=	75%
C-grade	=	50%

The tariffs are determined on the basis of economical and equitable rent and are calculated as follows:

- Costs of personnel and equipment utilised from time to time during use of the hall and preparations and tidying-up activities, to be calculated on the same basis for each property.
- Letting of property, which will vary per grouping (e.g. eating utensils, etc.).
- Categories of functions.

5.2.2 Deposits

Sufficient deposits must be obtained for each letting to cover not only the Municipality's costs, but also to provide for breakage.

5.2.3 Letting periods

Letting is to be divided into morning, afternoon and evening sessions while preparation and tidying up are also provided. This division is retained and is defined as follows:

- Morning session - from 08:00 – 13:00, including preparation and tidying up
- Afternoon session – from 13:00 - 18:00, including preparation and tidying up.
- Evening session - from 18:00 – 24:00, including preparation and tidying up.
- A pro-rata contribution must be paid, in addition to the letting fee, for every hour or portion there of falling outside those indicated above.

5.2.4 Free of Charge

The Library Halls may be provided free of charge to the following organisations:

- Youth
- Charity
- Community
- Sport
- Education
- Government and
- Local management meetings of political parties

Community halls may be provided free of charge twice a quarter per party which are represented in the Council, which may be used for political meetings with the community. The political party must however give notice in omitting to the Accounting Officer.

The provision is subject to the availability of the facility and will be dealt with accordingly to priority of application based on time of receipt of the application.

5.3 Fees for Cemeteries

Cemetery fees are based on the following:

- Value of land
- Costs of preparing grave
- Maintenance in future
- Costs of digging and closing up of grave (should the family not do so)
- A premium on the sale of the grave to a non-inhabitant of Witzenberg.

As only one costing centre is used, the costs for the preparation of a grave must be the same at all cemeteries. Exceptions, however, may be made in relation to ground formation in respect of the digging of the grave. In order to provide for those who cannot afford the full tariff, a subsidy is to be calculated that is based on specific criteria, and be included in the Municipality's indigent policy.

5.4 Other

The other diverse tariffs must, wherever possible, be determined on actual costs plus a percentage.

6. Rebates

The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

6.1 Criteria

The person or organisation must create new or extent building and create new job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of building plan
- Total number of jobs created after completion of building phase
- Number of Directors
- Number of Directors classified as historically disadvantaged individuals HDI

The criteria and weights for evaluating the application are as follow:

Criteria	Points
Improvement value of Buildings extended	60
Job opportunities	30
HDI points based on Directors	10

The allocation of points will be as follow:

Improvement value of extension
1 Point for every R80,000.00 of value added

Job opportunities
2 Points for every permanent new job opportunity created, and
1 Point for every seasonal job opportunity created

HDI points
The percentage of the number of HDI directors is used as a basis to allocate a point out of 10.

The applicant must score at least 50 points to qualify for a rebate. The applicant must be prepared that an audit be performed at any stage during the period when the rebates are allocated. If at any stage it is found the applicant do not meet the requirements then the rebate will be stopped immediately.

6.2 Extent

Two categories of rebates exist. A minimum of 75 points must be obtained to qualify for a category A rebate.

The rebate will be for a period of 5 years and will be as follow:

	Rebate A Percentage rebate	**Rebate B Percentage rebate**
Year 1	25 %	15 %
Year 2	20 %	12 %
Year 3	15 %	9 %
Year 4	10 %	6 %
Year 5	5 %	3 %

The rebate will be applicable on all service charges as well as property rates.
The rebate will only be applicable on the additional services account of the applicant to the original account.[8]

7. Conclusion

In drafting any tariffs policy, the principles enunciated above must be applied in order to determine the equity of the tariff. However, irrespective of the fairness or equity of the tariff, huge problems will be encountered with maintaining and continuing a service if the tariff is not affordable to a large portion of the clients.

[8] Recommended amendment Council 25/03/2020

PROPERTY RATES POLICY

FORMULATED IN TERMS OF SECTION 3 OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, NO. 6 OF 2004

Date of Implementation: 01 July 2010

***OUR VISION:* "A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, CREATING GROWTH AND OPPORTUNITIES"**

Amended by Council 30/05/2017
Amended by Council 18/05/2016
Amended by Council 15/06/2010
Amended by Council 28/05/2009

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1. LEGISLATIVE CONTEXT

1.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended, which specifically provides that a municipality must adopt a Rates Policy.

1.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.

1.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended a municipality in accordance with-

a. Section 2(1), may levy a rate on property in its area; and
b. Section 2(3), must exercise its power to levy a rate on property subject to-

i. Section 229 and any other applicable provisions of the Constitution;
ii. the provisions of the Property Rates Act; and
iii. the rates policy.

1.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alias*, rates on property.

1.5 In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.

2. DEFINITIONS

2.1 **Act** means the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.

2.2 **Municipality** means the municipal council for the municipal area of Witzenberg.

2.3 **Pensioners** mean natural persons 60 years old or older.[1]

[1] Added on 30 May 2017

2.4 **All other terms** are used within the context of the definitions contained in the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) as amended.

3. POLICY PRINCIPLES

3.1 Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.

3.2 As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis, other than by way of an exemption, rebate or reduction provided for in this policy.

3.3 There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation.

3.4 The rates policy for the municipality is based on the following principles:

(a) Equity
The municipality will treat all ratepayers with similar properties the same.

(b) Affordability
The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates.

(c) Sustainability
Rating of property will be implemented in a way that:

i. it supports sustainable local government by providing a stable an buoyant revenue source within the discretionary control of the municipality; and
ii. supports local social economic development

(d) Cost efficiency
Rates will be based on the value of all rateable property and the amount required by the municipality to balance the operating budget after taking into account profits generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

4. SCOPE OF THE POLICY

This policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the applications of the various property rates are published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

5. APPLICATION OF THE POLICY

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

6. CATEGORIES OF PROPERTY

6.1 Criteria for determining categories of properties for the purpose of levying different rates and for the purpose of granting exemptions will be according to the permitted use of the property

6.2 Categories of property for the municipality include-

(a) residential properties
(b) industrial properties
(c) business and commercial properties
(d) agricultural properties
(e) mining properties
(f) properties owned by an organ of state and used for public service purposes
(g) public service infrastructure properties
(h) properties owned by public benefit organisations and used for specified public benefit activities
(i) properties used for multiple purposes, subject to Section 9; or
(j) any other category of property as may be determined by the Minister, with the concurrence of the Minister of Finance, by notice in the Gazette."[2]

[2] Amended by Council on 27/02/2017 in terms of amendments to the Act

7. CATEGORIES OF OWNERS

7.1 Criteria for determining categories of owners of properties, for the purpose of granting exemptions, rebates and reductions will be according to the-

(a) indigent status of the owner of a property
(b) sources of income of the owner of a property
(c) owners of property situated within an area affected by-

i. a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
ii. any other serious adverse social or economic conditions;

(d) owners of residential properties with a market value below a determined threshold;
(e) owners of agricultural properties who are *bona fide* farmers; or
(f) pensioners[3]

7.2 In determining whether a property forms part of a particular category indicated below, the council shall have regard to the actual zoning to which the relevant property is put. Vacant land is included in its own category, irrespective of the permitted use of the property. A change in zoning may result in a change in the category of the property. In table 1 the different usage is listed against the rating categories.

7.3 Business and/or commercial improvements on agricultural properties will be rated separately from the rest of the property according to the zoning of the improvement.

Table 1

Rating categories	Use codes
Residential Property	GEN RES
	GROUP HOUSE
	RES
	RES 1
	RES 2
	RES 3
	RES 4
	SIN RES

[3] Added on 30 May 2017

Rating categories	Use codes
	RESORT 2
	AGRI 1/ROS 2
Informal Settlements	INF RES
Business/Commercial Property	BUS
	BUS 1
	BUS 2
	BUS 4
	BUS 5
	CEMETERY
	COM
	EDUC
	GUEST HOUSES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OPEN S1
	OPEN S 2
	OPEN S 3
	PARKING
	RES 5
	RESORT 1
	ROS 1/ OPEN S 3
Industrial property	IND
	IND 1
	IND 3
Agricultural Properties:	
Bona fide Agricultural	AGRI 1/RES 1
	AGRI 1/RES 2
	AGRI 1/SERVT
	AGRI 1
	AGRI 1/OS 2
	AGRI 1/OS 3
	AGRI 1
	AGRI 1/INST[4]
	AUTH
Agricultural / Business / Residential	AGRI 1/BUS 2/RES 5
	AGRI 1/ROS 1/RES 5
	AGRI 1/BUS 2
	AGRI 1/RES 5

[4] Updated by Council 29/05/2013 with effect from July 2012

Rating categories	Use codes
Agricultural / Industrial	AGRI 1/AGRI 2
	AGRI 1/IND 1
	AGRI 1/IND 2
	AGRI 2
State Owned Property	AGRI 1
	AUT
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2
	OS 3
	OS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
Municipal Property	AGRI 1
	AUT
	BUS
	EDUC
	GEN RES
	INST
	INST 1
	INST 2
	INST 3
	LOC BUS
	OS 1
	OS 2

Rating categories	Use codes
	OS 3
	POS
	RES
	RES 1
	SERV
	SIN RES
	SPORT
	TRANS
	TRANS 1
	TRANS 2
	TRANS 3
	UNDET
Vacant Land - Urban	VACANT
	POS
Public Service Infrastructure	SERV STAT
	TRANS
	TRANS 1
	TRANS 2
	UNDET

8. DIFFERENTIAL RATING

8.1 Criteria for differential rating on different categories of properties will be according to-

(a) The nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes.
(b) The promotion of social and economic development of the municipality.

8.2 Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category.

8.3 Pensioners may qualify for a rebate of 50% on residential property in terms of councils' policy.

8.4 Rates ratios to be applied

The rates ratio in relation to residential properties to be applied on non-residential properties is set in the table 2 below:

Table 2:

Categories	Ratio in relation to residential Property
Residential Property:	
Bona Fida residential	1:1
Informal settlements	1:0.9
Business / Commercial property:	1:1.81
Industrial Property	1:1.76
Agricultural Properties:	
Bona Fida Agricultural	1:0.135[5]
Agricultural/Business/Residential	1:1.13
Agricultural / Industrial	1:1.13
State owned Property	1:1.58
Vacant Land – Urban	1:1.50
Public Service Infrastructure	1:0.25
Building clauses	1:1.25

9. EXEMPTIONS

9.1 The following categories of property are exempted from rates:

(a) Municipal properties
Municipal properties are exempted from paying rates as it will increase the rates burden or service charges to property owners or consumers.

(b) Public Benefit Organisations
The following Public Benefit Organisations may apply for the exemption of property rates subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as

[5] Recommended 25 March 2020 to adjust ratio from 1:0.12 to 1:0135

contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):

i. Welfare organisations
Properties owned by not for gain institutions or public benefit organisations and are solely use for the benefit of the institution and or for charitable purposes and performs welfare and humanitarian work as contemplated by part 1 of the ninth Schedule of the Income Tax Act (Act 58 of 1962). Council may grant a rebate as of 100% in the case of Inst. 2 uses and 50% in the case of Inst. 3 users.

ii. Animal welfare
Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

(c) In terms of section 17(i) of the MPRA, the council do not levy a rate on the property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

(**The exclusion lapses if not used for the purposes as indicated above**.)

9.2 Exemptions will be subject to the following conditions:

(a) all applications must be addressed in writing to the municipality;
(b) a SARS tax exemption certificate must be attached to all applications;
(c) the municipal manager or his/her nominee must approve all applications;
(d) applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought; and
(e) the municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect or false.

10. REDUCTIONS

10.1 A reduction in the municipal valuation as contemplated in section 15(1)(b) of the Act will be granted where the value of a property is affected by-

(a) a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or

(b) any other serious adverse social or economic conditions

10.2 The reduction will be in relation to the certificate issued for this purpose by the municipal valuer.

10.3 All categories of owners can apply for a reduction in the rates payable as described above

11. REBATES

Categories of property

(a) Business, commercial and industrial properties

i. The municipality may grant rebates to rateable enterprises that promote local, social and economic development in its area of jurisdiction, based on its Local, Social and Economic Development Policy and as included in the council tariff policy.

ii. Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.

(b) Conservation Land

No rebates are granted to privately owned properties whether designated or used for conservation purposes.

(c) Historical or heritage properties

No rebates are granted other than residential rebates if appropriate.

(d) Cemeteries.

Privately owned cemeteries received a rebate of 50% and must be exclusively be used for the purpose of a cemetery.

(e) Residential Properties.

The Municipality will not levy a rate on the first value up to R100 000 of the market value as per the Valuation Roll of Residential Properties, as follows:

- on the first R15 000 on the basis set out in Section 17(1)(h) of the MPRA; and
- on the balance of the market value up to R85 000 in respect of residential properties, as an important part of the Councils

indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties.[6]

(f) Other properties: informal settlements; industrial properties; business and commercial properties. (Refer to paragraph 6.2)

The Municipality will not levy a rate on the first value up to R100 000 of the market value as per the Valuation Roll of informal settlements, industrial properties or business and commercial properties as categorise in paragraph 6.2.[7]

(g) i) Pensioners may qualify for a rebate of 50% on residential property.

ii) *Rebates will be granted once an application was received and approved by the municipal manager or his/her delegate.*[8]

(h) The Municipality provides rebates to people or organisations that assist with economic growth within Witzenberg by the creation of new structures or by additions to existing buildings and the creation of job opportunities.

The person or organisation who wants to apply for the rebate must do so that the application speaks to the criteria extent and conditions as stipulated below:

Criteria

The person or organisation must create new or extent building and create new job opportunities. The investor must apply for the rebate and provide at least the following information in writing:

- Total cost of building plan
- Total number of jobs created after completion of building phase
- Number of Directors
  Number of Directors classified as historically disadvantaged individuals HDI

[6] Subsection (e) added by Council 18/05/2016
[7] Subsection (f) added by Council 18/05/2016
[8] Paragraph (g) - added by Council 30/05/2017
Paragraph (h) - recommended

12. MULTIPLE-USE PROPERTIES

If a portion of farms and smallholdings is being used for commercial or industrial purposes and where the municipality considers it reasonable to apply the category of multiple-use properties, the apportionment of value for each distinct use of the property will be calculated by the municipal valuer and used for billing at the applicable rate. This also caters for wind and solar energy plants.[9]

13. RATES INCREASES

(a) The municipality will consider increasing rates annually during the budget process in terms of the guidelines issued by National Treasury from time to time.
(b) Rate increases will be used to finance the increase in operating costs of community and subsidised services.
(c) Affordability of rates to ratepayers.
(d) All increases in property rates will be communicated to the local community in terms of the municipality's policy on community participation.

14. NOTIFICATION OF RATES

(a) The municipality will give notice of all rates approved at the annual budget meeting at least 30 days prior to the date that the rates become effective. Accounts delivered after the 30 days' notice will be based on the new rates.

(b) A notice stating the purport of the municipality's resolution and the date on which the new rates become operational will be displayed by the municipality at places installed for that purpose.

15. PAYMENT OF RATES

15.1 Liability for and payment of rates is governed by the MPRA and the Municipality's Credit Control and Debt Collection Policy and By-Laws as well as any other applicable legislation.[10]

15.2 Ratepayers may choose, not later than 31 August in any financial year, or such later date in such financial year as may be determined by the municipal

[9] Paragraph 13 added by Council 18/05/2016
[10] Paragraph 16.1 added by Council 18/05/2016

manager or his/her nominee, between paying rates annually in one instalment on or before 30 September or in twelve equal instalments on or before the 15th day of the month following on the month in which it becomes payable.[11]

15.3 An owner is liable for payment of a rate whether or not that person has received a written account. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.[12]

15.4 A rate levied by a municipality on a sectional title unit is payable by the owner of the unit.[13]

15.5 Interest on arrears rates, whether payable on or before 30 September or in equal monthly instalments, shall be calculated in accordance with the provisions of the credit control, debt collection and indigent policy of the municipality.

15.6 If a property owner, who is responsible for the payment of property rates in terms of this policy, fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection and indigent policy of the Municipality.

15.7 Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of section 28 and 29 of the Act.

15.8 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.

15.9 In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

16. CLEARANCE CERTIFICATES

[11] Paragraph 16.2 amended by Council 18/05/2016
[12] Paragraph 16.3 added by Council 18/05/2016
[13] Paragraph 16.4 added by Council 18/05/2016

(a) Are issued in terms of Section 118 (1) (a) of the Local Government: Municipal Systems Act, 2000, Act No. 32 of 2000, and will be valid for a period of 60 days from the date it has been issued.

(b) Are issued within 7 working days after receipt of the applicable fees and receipt of the clearance application form.

(c) Are issued when all amounts due in connection with that property for municipal fees, surcharges, property rates and other municipal taxes, levies and duties have been fully paid.

(d) All rates in respect of the financial year when the transfer is reasonably expected are immediately payable.

(e) If an amount liable for rates and services in respect of a property is outstanding and the property needs to be transferred, a rates clearance certificate will only be issued upon payment of the current account and after completion of an agreement by the new owner for any municipal services in arrears, subject to Council's Credit Control and Debt Collecting Policy in respect of the following transfers:

(i) Transfer of a property from the Municipality to the new owner;

(ii) Transfer of a property from one spouse to the other;

(iii) Transfer of a property from the owner (parent) to a child.[14]

17. REGULAR REVIEW PROCESSES

The rates policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

18. SHORT TITLE

This policy is the Property Rates Policy of the Witzenberg Municipality.

[14] Paragraph 17 added by Council 18/05/2016

19. ENFORCEMENT/IMPLEMENTATION

This policy has been approved by the Municipality and came into effect from 1 July 2009.

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

CREDIT CONTROL & DEBT COLLECTION POLICY

OUR VISION: "A MUNICIPALITY THAT CARES FOR ITS COMMUNIY, CREATING GROWTH AND OPPORTUNITIES"

Date of implementation: 01 July 2008 Latest review and updates by Council on 30/05/2019

Reviewed and amended by Council 29/05/2019
Reviewed and amended by Council 28/05/2014
Reviewed by Council 29/05/2013
Reviewed by Council 31/05/2012
Reviewed by Council 28/09/2011
Reviewed by Council 20/04/2011
Reviewed by Council 15/06/2010
Council 28/05/2009 Item 8.1.2
Council 04/08/2008

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PREAMBLE

WHEREAS Section 152 (1) (b) of the Constitution of the Republic of South Africa Act 108 of 1996 (*the Constitution*) provides that one of the objects of local government is to ensure that the provision of services to communities occurs in a sustainable manner;

AND WHEREAS Section 153 (a) of the Constitution provides that a municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community;

AND WHEREAS Section 195 (1) of the Constitution provides that the public administration must be governed by the democratic values and principles enshrined in the Constitution, including-

- the promotion of the efficient, economic and effective use of resources;
- the provision of services impartially, fairly, equitably and without bias; and
- the fact that people's needs must be responded to.

AND WHEREAS Section 4 (1) (c) of the Local Government: Municipal Systems Act 33 of 2000 (*the Systems Act*) provides that the Council of a municipality has the right to finance the affairs of the municipality by charging fees for services, imposing surcharges on fees, rates on property and, to the extent authorised by national legislation, other taxes, levies and duties;

AND WHEREAS Section 5 (1) (g), read with subsection (2) (b), of the Systems Act provides that members of the local community have the right to have access to municipal services which the municipality provides provided that, where

applicable and subject to the policy for indigent debtors, pay promptly for services fees, surcharges on fees, other taxes, levies and duties imposed by the municipality;

AND WHEREAS Section 6 (2) (c), (e) and (f) of the Systems Act provides that the administration of a municipality must take measures to prevent corruption; give members of a local community full and accurate information about the level and standard of municipal services that they are entitled to receive; and inform the local community about how the municipality is managed, of the costs involved and the persons in charge;

AND WHEREAS Chapter 9, Sections 95, 96, 97, 98, 99 and 100, of the Systems Act provides for Customer Care Management, Debt Collection responsibility of the Municipality, contents of the policy, by-laws that give effect to the policy, Supervisory authority and Implementing authority.

The Witzenberg Municipal Council, at its meeting of 28May 2008adopts this policy to be known as: The Witzenberg Municipality Credit Control and Debt Collection Policy". This policy replaces that policy in its entirety.

1. DEFINITIONS

In this policy, unless the context indicates otherwise, the word or expression has the following meaning:

1.1 "Accounting Officer" The Municipal Manager appointed in terms of Section 82(1) (a) or (b) of the Municipal Structures Act, 1998 (Act No. 117 of 1998);

1.2 "Actual consumption" means the measured consumption of a consumer of a municipal service during a specified period;

1.3 "Arrangements" means a formal agreement entered into between the Council and a debtor where specific repayment parameters are agreed to.

1.4. "Arrears "mean any amount due, owing and payable by a customer in respect of a municipal account not paid on the due date;

1.5. "Average consumption" means the deemed consumption of a customer of a municipal service a specific period, which consumption is calculated by adding the recorded monthly average consumption and the current actual consumption and dividing the total by 2;

1.6. "Bank guarantee" refers to an undertaking by a registered financial institution whereby it guarantees a specified maximum amount to be paid if the principal debtor (the consumer) fails to pay;

1.7. "Calculated amounts" refers to the amounts calculated by the Chief Financial Officer, in consultation with the relevant technical departments, to be due to the Council by a consumer in respect of the supply of the applicable municipal services for any period during which the exact quantity of the supply cannot be determined accurately for reasons beyond the control of the Chief Financial Officer. This shall normally be based on the average consumption figures, if available, for the service rendered to the customer or, failing the availability of such data, on the average consumption figures applicable to one or more properties of similar size and nature in the area in which the customer resides or carries on business;

1.8. "Charges" refers to charges incurred by the municipality to collect arrears;

1.9. "Chief Financial Officer" refers to the person so designated in terms of Section 75(2)(a) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) or any person duly authorised to act on behalf of such person and shall have the same meaning as Strategic Executive Manager: Finance or City Treasurer;

1.10. "Consolidated account" refers to one combined account for all municipal services, housing rents and instalments, rates and basic charges payable, and" consolidated bill" has a corresponding meaning;

1.11. "Consumer" means a customer;

1.12 "Conventional electricity and water meters means "electricity and/or water meters, as the case may be, which are used to determine the supply of electricity and water and which are normally read on a monthly or other fixed interval basis;

1.13 "Council" refers to The Witzenberg Municipality and its successors in law and includes the Council of that municipality or its Executive Committee or any other body acting by virtue of any power delegated to it in terms of legislation, as well as any official to whom the Executive Committee has delegated any powers and duties with regard to this policy;

1.14 "Councillor" refers to any member of a municipal council;

1.15 "Credit Control "refers to all functions relating to the collection of monies owed by customers and users of municipal services.

1.16 "Customer" refers to any occupier of any premises to which Council has agreed to supply or is actually supplying services, or if there is no occupier, then the owner of the premises and includes any debtor of the municipality;

1.17 "Defaulter" refers to any customer owing the municipality money in respect of rates and / or service or sundry charges; not paid on the due date as stipulated on the account or on the agreement. The owner will be held responsible for occupiers / tenants, arrear accounts, for water, electricity and any other service or sundry accounts;

1.18 "Deposit" refers to a minimum sum of money specified by the Chief Financial Officer and payable by the consumer to the Municipality prior to occupation of the property or prior to the date on which services to the property are required;

1.19 "Due date" in the absence of any express agreement in relation thereto between the Council and the customer, refers to the date stipulated on the account and determined from time to time as the last date on which the account must be paid;

1.20 "Equipment" refers to any building or other structure, pipe, pump, wire, cable, meter, engine or any accessories;

1.21 "Estimated "consumption arises when no actual reading can be taken and is equivalent to the existing average consumption;

1.22 "Existing" customers refers to the customers who have already entered into an agreement for the supply of municipal services;

1.23 "Financial year" refers to the period starting from 1 July in a year to 30 June the next year;

1.24 "Fees" refers to expenses incurred by the municipality to collect arrears;

1.25 "Implementing Authority" means the Municipal Manager or his nominee, acting in terms of Section 100 of the Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000);

1.26 "Interest" is a charge levied with the same legal priority as service fees and calculated at a rate determined by Council from time to time on all arrear monies;

1.27 "Meter" audits refer to an investigation to verify the correctness of the consumption and supply of electricity and water;

1.28 "Municipality" when referred to as:

(a) a corporate body, means a municipality as described in Section 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000);

(b) A geographic area means a municipal area determined in terms of the Local Government Municipal Demarcation Act, 1998 (Act No. 27 of 1998).

1.29 "Municipal Manager" means the person appointed as Municipal Manager in terms of Section 82 of the Local Government Municipal Structures Act, 1998, (Act No. 117 of 1998) and includes any person acting in that position or to whom authority has been delegated;

1.30 "Municipal services "refers to any services provided by the municipality or any authorised and contracted service provider, available or applied for, or provision made for any service, for which it is entitled to charge a fee or formulate a tariff, payable by a customer or user, thereof;

1.31 "Normal office hours" means the hours when the Chief Financial Officer' s offices are open to the public from Mondays to Fridays, excluding public holidays, Saturdays and Sundays;

1.32 "Official" refers to an employee of The Witzenberg Municipality

1.33 "Occupier" means any person, who occupies any property or part thereof, without regard to the title under which he or she occupies the property,

1.34 "Owner" means:

(a) The person in who from time to time is vested the legal title to premises, which title is registered at the Deeds Office;

(b) In a case where the person in whom the legal title is vested is insolvent or deceased, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator, trustee, executor, administrator, judicial manager, liquidator or other legal representative;

(c) In a case where the Council is unable to determine the identity of such person, a person who is entitled to the benefit of such premises with a building thereon;

(d) In the case of premises for which a lease of 30 years or more has been entered into, the lessee thereof;

(e) In relation to

i. A piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act 1986, (Act 95 of 1986), and without restricting the above the developer or the body corporate in respect of the common property; or

ii. A section, as defined in such Act, the person in whose name such a section is registered under a sectional title deed and includes the lawfully appointed agent of such a person;

(f) Any legal person including but not limited to

i. A company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a Trust, a Closed Corporation registered in terms of the Closed Corporations Act, 1984 (Act 69 of 1984) and a voluntary association;

ii. Any department of State;

iii. Any Council or Board established in terms of any legislation applicable to the Republic of South Africa;

iv. Any Embassy or other foreign entity;

1.35 "Premises" includes any piece of land, the external surface boundaries of which are delineated on-

(a) A general plan or diagram registered in terms of the Land Survey Act, 1927 (9 of 1927), or in terms of the Deed Registry Act, 1937 (47 of 1937); or

(b) A sectional plan registered in terms of the Sectional Titles Act, 1986 (95 of 1986), which is situated within the area of jurisdiction of the Council;

1.36 "Rates" refers to property rates on property situated in the municipal area, any other tax, duty or levy imposed by the municipality;

1.37 "Service agreement" refers to an agreement for the consumption of electricity and/or water and other services as determined from time to time;

1.38 "Terminated account" refers to:

(a) the final account for services after the customer has left the premises, whether or not the customer has given notice to terminate the supply of service; OR

(b) the final account for services if the customer has contravened the service provisions of this policy and attendant municipal bylaws;

1.39 "Variable flow-restricting device" refers to a device that is coupled to the water connection that allows the water supply to be restricted or closed;

1.40 "Visitation fee" refers to the fee charged for attendance and/or disconnection/reconnection of an electricity/water supply when the supply has been disconnected due to non-payment and/or tampering, or where access to disconnect/restrict has not been gained, which fee shall be

1.41 "Voluntary garnishee order/emoluments order" refers to a court order for the deduction of an amount of money from the salary or other income of a customer.

2. INTRODUCTION

2.1. The Council cannot develop the local economy and provide acceptable services to its residents unless it receives payment, in full, of all bills raised for the services that it provides.

2.2. The municipality must develop, maintain and implement a credit control and debt collection policy that is consistent and complies with the relevant legislation.

2.3. In regard to payments expected from registered indigents and Council tariffs, this policy is to be read in conjunction with The Witzenberg Municipality Indigent Policy and The Witzenberg Municipal Tariff Policy.

3. OBJECTIVES

The objectives of the Credit Control and Debt Collection Policy are:

3.1 To define a framework within which the municipality can develop an effective procedure to bill and collect its revenues;

3.2 To ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community, residents and ratepayers and in a financially sustainable manner as prescribed by the Municipal Systems Act, 2000 (Act No. 32 of 2000), and other applicable legislation;

3.3 To maintain and implement a credit control and debt collection policy, which is consistent and complies with Section 97 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

3.4 To ensure that the municipality develops credit control procedures and mechanisms that are considered to be consistent, fair and effective to all its consumers.

4. UNDERLYING PRINCIPLES OF THIS POLICY

4.1 The administrative integrity of the municipality must be maintained at all times. The democratically elected councillors are responsible for policymaking, while it is the responsibility of the Councillors, Municipal Manager and all staff to ensure the execution of these policies.

4.2 This policy shall take effect and be enforceable from the date of approval thereof by Council.

4.3 The collection process must be cost-effective and enforcement of payment for services rendered must be prompt, consistent and effective.

4.4 Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections and/or restrictions, penalties, loss of rights and criminal prosecutions.

4.5 All Witzenberg Municipality employees shall:

4.5.1 Embrace the principles of Batho Pele and treat all debtors with dignity and respect at all times

4.5.2 Employees shall execute their duties in an honest and transparent manner whilst protecting the confidentiality of information in accordance with the Access to Information Act.

5. ROLE AND RESPONSIBILITY OF MUNICIPAL MANAGER

5.1 In terms of Section 100 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Municipal Manager is responsible for implementing the credit control and debt collection policy. In line with this, the Municipal Manager is to perform the following:

5.2 install and maintain appropriate accounting system.

5.3 bill customers.

5.4 demand payment on due dates.

5.5 raise penalties and interest for defaulters.

5.6 appropriate payments received.

5.7 collect outstanding debt.

5.8 provide different/alternate payment methods.

5.9 determine credit control and debt collection measures.

5.10 determine all relevant work procedures for, inter alias, public relations, arrangements, disconnection/reconnection of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.

5.11 instruct attorneys to proceed with the legal process (i.e. attachment and sale in execution of assets, emolument attachment orders, etc.).

5.12 appoint staff to execute Council's policy and by-laws.

5.13 determine internal control procedures.

5.14 monitor contracts with service providers in connection with credit control and debt collection.

5.15 The Municipal Manager may delegate these responsibilities to the Chief Financial Officer. However, this delegation does not absolve the Municipal Manager from being held accountable for implementing this policy.

5.16 The Municipal Manager is to report monthly to the Executive Committee, and quarterly to the Council, on the actions taken in terms of this policy, and on the payment levels for the periods concerned.

5.17 Although the Municipal Manager is held accountable for implementing this policy, it is the responsibility of all officials of the municipality to promote and support this credit control and debt collection policy.

6 ROLE AND RESPONSIBILITY OF COUNCILLORS

6.1 To approve budgets consistent with the needs of communities, ratepayers and residents.

6.2 To impose rates and taxes and to determine service charges, fees and penalties to finance the budget.

6.3 To facilitate sufficient funds to give access to basic services for the poor.

6.4 To provide for a bad debt provision, in line with the payment record of the community, ratepayers and residents, as reflected in the financial statements of the municipality.

6.5 To, together with the Chief Financial Officer, set an annual improvement target for debt collection (refer Section 9), in line with acceptable accounting ratios and the ability and performance of any appointed external service providers.

6.6 To approve a reporting framework for credit control and debt collection.

6.7 To consider and approve by-laws to give effect to the Council's policy.

6.8 To revise the budget should Council's targets for credit control and debt collection is not met.

6.9 To take disciplinary and/or legal action against Councillors, officials and agents who do not execute Council policies and by-laws, or act improperly in terms of such policies.

6.10 To approve a list of suitably qualified service providers that will act on behalf of Council in all collection and legal matters relating to debt collection.

6.11 To provide sufficient capacity in the Municipality's Budget and Treasury Office for credit control and debt collection or, alternatively, to appoint service providers or debt collection agents to assist with the credit control and debt collection procedures.

6.12 To assist the Municipal Manager in the execution of his duties, if and when required.

6.13 To provide funds for the training of staff in connection with credit control and debt collection.

6.14 In terms of Section 99 of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Executive Committee, is to monitor and supervise the application of this policy, and is to report to Council on the extent and success of the municipality's credit control actions.

6.15 In order to maintain the credibility of the municipality in the implementation of the present policy, Councillors, by adopting this policy, pledge that their own accounts will at no stage fall into arrears.

7. DUTIES AND FUNCTIONS OF WARD COUNCILORS

7.1 To adhere to and convey Council policies to residents and ratepayers.

7.2 To adhere to the Code of Conduct for Councillors.

7.3 The ward committees will act in terms of roles and functions as approved by Council.

7.4 The ward committees are encouraged to actively promote this policy, and to ensure, at the same time, that the municipality's customer service is of a standard acceptable to the community.

8. DUTIES AND FUNCTIONS OF COMMUNITIES, RATEPAYERS AND RESIDENTS

8.1 To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.

8.2 To pay service fees, rates on property and other taxes, levies and duties imposed by the municipality on or before the due date for payment.

8.3 To observe the mechanisms and processes of the municipality in exercising their rights.

8.4 To allow municipal officials access to their property to execute municipal functions.

8.5 To comply with the by-laws and other legislation of the municipality.

8.6 To refrain from tampering with municipal services and property.

9. EXPECTED DEBTOR PAYMENT LEVELS

9.1 The municipality is to aim at ensuring that payment levels (i.e. the percentage level of income received from debtors) for the present and future financial years, in respect of all amounts due to the municipality, exclusive of the balance of the monthly accounts payable by registered indigents, are maintained at an annual average of at least 96%.

9.2 The long-term target is a debtor turnover ratio of 30 days, that is, debtors are expected to pay for services on average within one month of receiving accounts.

10. AREA OF APPLICATION

10.1 This policy shall apply and be enforceable throughout the entire area of jurisdiction of The Witzenberg Municipality

10.2 The Council reserves the right to differentiate between different categories of consumers, debtors, services or service standards when applying this policy. The Council will, on application of this policy, avoid discrimination as forbidden by the Constitution unless it is established that the discrimination is fair as allowed by the Constitution.

11 APPLICATION FOR SERVICES AND SERVICE AGREEMENTS

11.1 Before being provided with electricity, water and/or other customer services, and prior to taking occupation of premises, every customer shall enter into a service agreement with the Council in which, inter alias, the customer agrees that the electricity, water and/or other services, supplied by either Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt.

11.2 All consumers wishing to utilise municipal services must apply to enter into a service agreement.

11.3 The service agreement will be entered into prior to the provision of services and prior to the consumer taking occupation of the premises.

11.4 A new service agreement will only be entered into once all amounts owed by a consumer on other debtor accounts are settled in full.

11.5 A new service agreement will only be entered into on a property, once all outstanding amounts owed on the property are settled in full. The owner of the property shall have the responsibility to ensure that all debts incurred after 1 July 2007 are fully paid by the tenant in order to mitigate the non-provision of services to tenants/residents after the date mentioned above.

11.6 Paragraph 11.5 is not applicable to outstanding accounts in respect of houses allocated by the housing committee.[1]

11.7 Where municipal services are used/consumed or made use of, and the owner, tenant, or occupants of a property, have not entered into nor completed an agreement for such services, the owner responsible for the payment of rates on the property will be billed for the metered consumption and all municipal service charges applicable to the property.

11.8 The service agreement shall indicate that transfer of a property may not be registered until the municipality issues a clearance certificate which reflects that all amounts due in connection with that property for municipal service fees, property rates and other municipal taxes, levies and duties have been fully paid. The outstanding monies include accounts relating to tenants who may have left the property of the seller.

11.9 Application forms are available at the municipal offices and the application process must occur at least ten (10) working days prior to taking occupation of the premises. This will ensure that services are available when occupation is taken. Failure to adhere to the timeframe may result in customers not having the services available when occupation is taken. Once the application has been approved, a service agreement will be entered into and services will commence.

11 .10 The Municipality will render the first account after the first meter reading cycle following the date of signing the service agreement or as soon as is administratively possible.

11.11 Consumers who illegally consume services without a valid service agreement will be subject to disconnection and/or removal of the service and may have charges laid against them for theft and fraud.

[1] Amended by Council on 28 May 2014

11.12 The service agreement shall set out the conditions under which the services are provided and shall require the signatories thereto to accept the contents of the municipality' s credit control and debt collection policy, as well as the provisions of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

(a) An undertaking by customers:

- That the electricity, water and/or other services supplied by either the Prepaid or Credit meter systems, may be used for credit control purposes to collect arrears in respect of all outstanding debt and shall include rates if the customer is the owner of the property;
- That they are liable for the costs of collection, including any administration fees, penalties for late payment, legal costs, interest, disconnection fees and reconnection fees, and
- That any alleged non-receipt of an account does not affect the customers' liability for the account, nor stop the credit control process;

(b) An undertaking by Council:

- That it will deliver accounts to customers
- That if customers do not receive an account and have accordingly requested one, a statement will be supplied to them.

11.13 Where a signatory is not the owner of the property to which the services are to be provided, a letter from the owner indicating that the signatory is the lawful occupant of the property and where a lessor/lessee arrangement exists between the parties, a copy of such agreement shall be attached to the service agreement.

11.14 Where a consumer has failed to enter into a service agreement with the Council, water and/or electricity shall be restricted or disconnected, as the circumstances may require, until such time as a service agreement has been entered into and the applicable deposits have been paid. In such circumstances, the consumer will be held liable for any calculated amounts.

12 DEPOSITS AND GUARANTEES

12.1 Every customer is to pay a deposit on application for the provision of municipal services before the municipality renders any service to the property. Deposits are payable when new customers sign service agreements and when existing customers move to a new supply address. All deposits shall be paid at least 5 (days) days prior to occupation of the property or prior to the date on which the services are required. Failure to comply with this clause may result in a delay in the connection of services and the Council shall not be liable for any loss or prejudice suffered by a customer as a result thereof.[2]

12.2 Subject to the provisions of clauses 12.3, 12.4 and 12.5 hereunder, the calculation for deposits shall be based on two months' consumption of metered services together with any charges for other municipal services, or a minimum amount specified by the Chief Financial Officer from time to time.

12.3 In determining the deposit described in Section 12.2, the Chief Financial Officer may differentiate between areas to give cognisance to differences in service standards and usage.

12.4 The Chief Financial Officer may re-assess customer deposits for new domestic, commercial and industrial customers three months after the initial deposit date and may, as a result of this reassessment, require an additional deposit from the customer.

12.5 The Chief Financial Officer may review deposits annually and, in the case of a customer' s service being disconnected or restricted as a result of non-payment or tampering, may increase the deposit. Should the deposit be increased as a result of this review the customer must immediately make payment of the increased amount in line with the instruction from the Chief Financial Officer.

12.6 The outcome of the review contemplated in clause 12.5 shall be communicated to the customer in the event of any variation in the deposit arrangements being required.

12.7 Should a customer's services be disconnected twice during any twelvemonth period due to non-payment, the customer's deposit shall be adjusted the following month to conform to Clause 12.5.

12.8 Bank guarantees are only permitted for businesses and only under circumstances as determined by Council from time to time.

12.9 The municipality will pay no interest on consumer deposits[3]

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[2] Amended by Council on 28 May 2014.
[3] Amended and reviewed by Council on 30 May 2019

13 ACCESS TO PROPERTY TO READ METERS

13.1 In terms of Section 101 of the Municipal Systems Act, 2000 (Act No. 32 of2000), the occupier, owner or tenant of a property is to allow municipal officials or the municipality' s authorised service providers access to read meters, install or repair meters as well as to, discontinue or restrict the provision of a service. The official is to have the proper authorisation and can only request access during reasonable hours.

13.2 If the municipality is unable to read any meter on any property because the meter has been rendered inaccessible, the municipality shall estimate the consumption of the service concerned and thereafter bill the accountholder for the monetary value of such estimated consumption.

13.3 In the event that the Council continues to be unsuccessful in obtaining access to the property and, therefore, is unable to obtain an accurate meter reading, the Chief Financial Officer or his authorised representative may disconnect the supply of services.

13.4 Voluntary readings:

- These will be permitted provided the municipality obtains any final reading should the consumer move to another supply address.
- Consumers may be liable for a fee to cover the costs of obtaining a reading if no advance warning is given and special arrangements are required to obtain a reading.
- The Municipality is entitled to make suitable adjustments to the readings should a consumer fail to ensure that a final reading is obtained.
- An audit reading during the normal reading cycles must be obtained at least once every 06 months. If a special audit reading becomes necessary this will be done at the cost of the consumer.
- The consumer may elect to supply voluntary readings subject to compliance with these rules. The Chief Financial Officer may, however, cancel the voluntary reading convenience if the consumer fails to render readings on two or more consecutive occasions.

14 ACCOUNTS, BILLING AND PAYMENT

14.1 The Council shall produce and post one consolidated monthly bill to consumers for services supplied or available (inter alias, electricity, water, refuse and sewerage charges) and for rates levied on property within the municipal area unless, for whatever reason, the rates account has not been consolidated with the services account in which case separate monthly accounts will be posted. These accounts will be produced in accordance with meter reading cycles at regular intervals or as prescribed by law. In the case of indigents where the net account after rebates amounts to zero, these will only be posted bi-annually and not on a monthly basis.

14.2 The account/invoice will reflect the following details:

- Consumer name;
- Consumer account number;
- Consumer postal address;
- Address details to which the services have been supplied;
- The consumption or estimated consumption for each metered service within a specified period;
- The applicable service tariff;
- The monthly amount due on property rates and the total annual amount due;
- The valuation of the property;
- The amount due on any other service charges;
- The total amount due and payable;
- The amount in arrears, if any;
- The final date for payment (due date);
- The method, name and location of any municipal offices and authorised agents where payments may be made, and
- A notification that failure to settle the total amount due by due date will result in termination or restriction of services.

14.3 The Council shall undertake to post the consolidated account to the customer address, in South Africa, as specified by each customer. However, non-receipt of an account does not negate the responsibility of the customer to pay the amount owing by due date nor prevent interest charges and debt collection procedures. In the event of non-receipt of an account, the onus rests on the account holder to obtain a free copy of the most recent account, before the due date.

14.4 The consumer shall, in writing, notify the Council of any change of address, including an e-mail address, and contact details. Notwithstanding the fact that a consumer has not received an account as a result of his failing to notify the Council of his change of address or due to delays on the part of external service providers, the customer is nevertheless liable for payment of such account. Any change of address only becomes effective when the notification of the change is received and acknowledged by the Council.

14.5 Accounts must be paid in full on or before the due date as indicated on the account. Failure to comply with this section shall result in debt collection action (as contained in Section 27 of this policy) being instituted against the customer. Interest on arrears, at the rate determined from time to time by the Council or, in the absence of any determination, as prescribed by law, will accrue after due date if the account remains unpaid irrespective of the reason for non-payment (refer Section 18).

14.6 Bulk consumers may at the discretion of Council be notified of their unpaid accounts prior to the commencement of the debt collection process.

14.7 Payments for accounts must be received at a Municipal pay-point by close of business on or before the due date. In the case of any electronic payments the money must be received in the municipal bank account no later than the close of business on the due date. In the case of monies paid to agents, the money must be deposited with the agent prior to the close of business on due date and proof thereof may be required to validate any claims.

14.8 The following methods of payment and payment points can be used: Debit order payments, which forms are available from the municipal cash offices;

- Cash and cheque payments can be made at the municipality' s cash offices, any South African Post Office and their agencies, ABSA and Easy Pay Outlets e.g. Pick & Pay, Checkers, etc.
- Electronic banking payments directly into the municipality' s account;
- Mail.

14.9 The consumer acknowledges that any agent used for transmitting payments to the Municipality is at the risk and cost of the consumer. In addition the consumer must take into account the transfer time of the particular agent.

14.10 All payments and/or part-payments received by the Chief Financial Officer shall be allocated to services in the manner as contained in Section 20.

15. METERING OF CONSUMABLE SERVICES

15.1 The municipality may introduce various metering equipment for the measurement of service consumption and customers may be encouraged to convert to a system preferred by the municipality.

15.2 Customers who default (fail to pay by the due date) may be required by the municipality to convert to another metering system.

15.3 Meters (credit) will be read in monthly cycles, at regular intervals or as prescribed by Council. Should circumstances prevent such a reading, the Municipality is entitled to continue with the procedure as laid down in Section 13 of this policy.

15.4 A consumer is responsible to ensure access to metering equipment and will be liable for any cost incurred to ensure access (such as relocating or disconnecting the meter) if satisfactory access is not possible. 15.5 Routine or special maintenance of metering equipment will be communicated to the consumer prior to being undertaken in order to establish a suitable time to perform such maintenance.

16. VALUATION OF PROPERTIES

16.1 All properties within the boundaries of the Witzenberg Municipality are to be valued in terms of the legislation applicable to the valuation of properties for the purpose of levying property rates.

17. PROPERTY RATES

17.1 In terms of the Council Rates Policy, and in accordance with the tariff of Charges Schedule, Property Rates will be raised annually in July of each year, charged on a monthly basis and will be reflected on the consumers monthly bill.

17.2 All Property Rates not paid by due date will, in addition to any procedures as prescribed by law, be subject to credit control and debt collection procedures as stipulated in this policy.

17.3 An owner may apply to have his/her property rates be charged monthly. In which the due date for application is set at 30th June of each year.[4]

17.4 If in default it will reversed to yearly and the total annual rates amount become payable.

18. INTEREST ON ARREARS AND OTHER PENALTY CHARGES

18.1 Interest shall be charged for a full month on all arrear amounts at the percentage determined by Council irrespective of when payment is made.

18.2 For purposes of determining arrear amounts, all amounts that are unpaid after due date, excluding interest, penalty charges previously raised including collection charges and Value Added Taxation, shall be taken into account.

18.3 The Chief Financial Officer will be entitled to raise the following charges/fees in addition to the interest charge contemplated in clause 18.1:

- charges for disconnection or restriction of services
- charges for reconnection or reinstatement of services
- charges for notices of default and other correspondence
- penalty charges for illegal reconnections
- penalty charges for dishonoured cheques
- Reconnection fee to be paid for both prepaid and conventional meters
- Charges / Fees on all legal proceedings[5]

[4] Updated 04/08/2008 Special Council meeting
[5] Amended by Council on 28 May 2014

18.4 Other than those penalty charges prescribed by legislation, the value of each of these charges will be determined on an annual basis by Council when considering its annual budget and shall be contained in the Witzenberg Municipality Tariff Register.

19. AGREEMENTS AND ARRANGEMENTS FOR PAYMENT OF ARREARACCOUNTS

19.1 The Chief Financial Officer is authorised to enter into agreements with customers in arrears with their accounts and to grant customers extensions of time for settlement of the amounts due to Council. No arrangement for the payment of debt in instalments may be entered into with a tenant without the consent of the property owner.[6]

19.2 Where a customer in arrears is a business or commercial concern, a minimum of 50% of the total overdue amount, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of twelve months. Any future monthly current accounts shall be paid on or before the due dates for the month in question. In respect of business or commercial consumers who are in arrears, interest will be raised in terms of Section 18 of this policy.

In exceptional circumstances, The Accounting Officer and CFO can deviate from the general rule above provided that:

- The current account is paid in full
- A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.

19.3 Where a customer in arrears is a domestic consumer the following processes will be follows:

i) When the customer account include outstanding debt, property rates not regarded, the customer payment incentive policy as approved by Council may apply; and

ii) In the case of all other debt, the current account, as an initial payment, shall be paid, and the balance of the account shall be paid in equal instalments over a maximum period of forty eight [48] months.

iii) In exceptional circumstances, The Accounting Officer and CFO can deviate from the general rule in (ii) above provided that:

- The current account is paid in full
- A written agreement is entered into that provides for the down payment of the arrears amount in monthly instalments.

iv) A customer can make a maximum of 2 arrangements within a financial year of the Municipality.[7]

[6] Amended by council on 28 May 2014
[7] Updated 28/05/2009

Any future monthly accounts shall be paid on or before the due date. Consumers, who honour their agreements and arrangements to pay, will not be charged interest from the date of the agreement on municipal service arrears, with the exception of property rates in arrears where statutory provisions may apply. Should they default on their credit extension for whatever reason, interest shall be raised from the date of default on the full outstanding debt in terms of Section 18 of this policy."

Any agreement reach prior to this policy will still be applicable.

19.4 A consumer may be required to complete a debit order for the payment of arrears in terms of the agreement.

19.5 Should a customer breach the arrangement in any way, the balance of the arrear account, together with the balance of interest outstanding on the account, shall immediately become due and payable to the municipality.

19.6 A customer who fails to comply with any credit arrangement shall not be permitted to enter into any further arrangement or extension of time for payment and shall have his services terminated, however a customer who brings his credit arrangement up to date by an immediate payment shall have his services reconnected as soon as is practically possible.

19.7 A customer who fails to comply with any arrangement of debt shall have his service agreement terminated, services disconnected/restricted, and his deposit on any outstanding amounts set off against any arrear debt.

19.8 Only debtors with positive proof of identity or an authorised agent with a Power of Attorney shall be permitted to enter into an Acknowledgment of Debt agreement with the Council.

19.9 Where a debtor is a close corporation, trust, or a company, the person who signs an acknowledgment of debt on behalf of such close corporation, trust or company, shall produce written proof that he is authorised to sign such acknowledgment on behalf of all members and/or directors of the close corporation, trust, or the company.

19.10 An Acknowledgment of Debt agreement shall contain all arrangements for paying off arrear accounts, which may include interest. One copy of the agreement shall be handed to the customer and another filed with the Chief Financial Officer.

19.11 In instances where a customer is employed, the municipality may obtain a voluntary garnishee order or emoluments attachment order.

19.12 Where any debt has arisen as a result of the Council having applied an incorrect charge and/or tariff, the consumer may arrange to pay the debt over a maximum period equivalent to the period over which the incorrect charge was applied or over twelve months, whichever is the shorter.

19.13 The Director Finance and Deputy Director Finance may deviate from the policy in special circumstances.[8]

20. ALLOCATION OF PAYMENTS AND PART-PAYMENTS

20.1 Receipt of the total outstanding monies will be allocated to the credit of the account in full. If a debtor pays only part of any amount due, the Chief Financial Officer shall allocate such payment as follows:

- firstly, to any unpaid interest raised on the account;
- secondly, to any other sundry debtors (miscellaneous);
- thirdly, to housing rents and instalments;
- fourthly, to any unpaid refuse collection charges;
- fifthly, to any unpaid sewerage charges;
- sixthly, to any unpaid water charges;
- seventhly, to any other unpaid electricity charges; and
- lastly, to any unpaid property rates.

20.2 A customer shall not be entitled to allocate any payment made to any portion of the total debt due to the Council.

21 DISHONOURED AND OTHER UNACCEPTABLE CHEQUES/DEBIT ORDERS

21.1 Refusal by banks to honour payments by cheque or debit order is regarded as non- payment, upon which the relevant debtor is subject to credit control measures.

21.2 The Council shall, at the earliest opportunity, be entitled to disconnect or restrict, as the case may be, the electricity and/or water supply of a customer who has offered a cheque or debit order as payment for municipal services if such cheque or debit order is returned or dishonoured by the financial institution on which it is drawn as a result of a lack of funds or for any other reason.

[8] Recommended for amendment.

21.3 A customer tendering a cheque or debit order referred to in Clause 21 .2 shall be liable for all administration charges and bank fees as determined by Council as a result of such transaction.

21 .4 Should a dishonoured cheque or debit order be received, the customer may be contacted telephonically with the request that a cash deposit equal in amount to that of the dishonoured cheque be made into the municipality' s account within 24 hours.

21.5 Should any attempt to contact the customer fail, then the municipality shall immediately discontinue the supply of services to the premises.

21.6 In the event of the customer not having sufficient funds to settle the outstanding debt, the Municipality may open a case of fraud with the South African Police Service.

21.7 Dishonoured cheques are to be kept on file and will only be given to account holders on request if the account is paid up to date after the reversal of the dishonoured payment.

21.8 A customer who has offered three dishonoured cheques in any 12 month period will not be allowed to make further payments by cheque for a period of at least one year, although a bank guaranteed cheque may be accepted by the Chief Financial Officer.

22. QUERIES IN RESPECT OF ACCOUNTS

22.1 The enquiries counters at the municipality's service centres can be contacted for all account queries.

22.2 An enquiry clerk stationed at the municipality's service centres shall be available to assist consumers with account balance queries as well as the opening and closing of accounts.

22.3 Any resident or consumer who may feel aggrieved concerning his/her account may address a written grievance / appeal to the Chief Financial Officer.

22.4 The municipality endeavours to investigate any query and give feedback within fourteen working days of the receipt of the query.

22.5 Any query in respect of the amount due and payable on the consolidated bill must be lodged, in writing, at the municipality within 10 days of the consolidated bill date in order that it may be investigated. Should the query not be lodged within 10 days, the municipality cannot be bound to the provisions of clause 22.4.

22.6 A customer who has lodged an enquiry is not relieved of the responsibility to maintain regular payment on his account. In the event of an accountholder reasonably querying any item or items on the monthly municipal account, no action shall be taken against the accountholder provided the accountholder has paid, by due date, an amount equal to the monthly average monetary value of the three most recent un-queried accounts in respect of the service under query, as well as all un-queried balances on such account, and, provided further that, such query is made in writing by the accountholder or is recorded in writing by the Chief Financial Officer or his designate on behalf of the accountholder within 10 days of the consolidated bill date.

22.7 If a customer has received a response to a query but is still not convinced that the account is correct, the customer will still be liable for the full outstanding amount and will be subject to credit control action.

23. UNRESOLVED CUSTOMER QUERIES

23.1 Should a query remain unresolved after 14 working days have passed from the date the query was lodged, the customer is to notify the Section Head of the relevant section who will follow up and resolve the query.
23.2 Should the Section Head, as a result of the complexity of the case, be unable to resolve the query, it is to be referred to the Consolidated Billing Manager for resolution.

24. DISCONNECTIONS/RESTRICTIONS OF SERVICE

24.1 The Council shall disconnect/restrict services to consumers whose consolidated accounts remain unpaid after due date.

24.2 The municipality shall, prior to disconnection and/or restriction of services, not be obliged to issue any final demand notices or other reminders to customers whose accounts are unpaid after due date.

24.3 The municipal account shall reflect a warning message that shall be deemed to be proper and sufficient notice to the customer that his services may be disconnected or restricted unless payment is received on or before due date.

24.4 In the event that full payment of the consolidated account, including any accumulated arrears, is not received by close of business on due date, the electricity supply and thereafter the water supply may be disconnected/restricted, unless a formal arrangement for an extension of payment, in terms of Section 19, has been approved by the Chief Financial Officer or his authorised representative.

24.5 Even though a customer may have concluded satisfactory credit arrangements in terms of Section 19, the Council is not obliged to effect a reconnection of services on the day that payment is received or the agreement has been signed, but will, unless unable to do so because of circumstances beyond the control of the municipality, endeavour to do so within three (3) working days in terms of Section 26 read in conjunction with Section 25.

24.6 Where a customer's services are disconnected, or where access to disconnect services has not been obtained, the customer shall be charged a visitation fee, as determined by the Council, which shall be paid prior to the services being reconnected.

24.7 Where a customer's account and/or service agreement has been terminated or is in arrears and no credit arrangement has been entered into,

the Council may, at the customer' s cost, proceed to collect such amount as is outstanding and due in terms of the procedures for debt collection contained in Section 27 of this policy.

24.8 Where a customer or owner' s account is in arrears and no credit arrangement for the settlement of any outstanding debt has been entered into, and, whether the services to the property have been disconnected / restricted or no the Council may, regardless of whether the service agreement is terminated or not, implement the procedures for debt collection as set out in Section 27 of this policy, if such action is deemed by the Chief Financial Officer to be in the best interests of the Council.

24.9 Should the Chief Financial Officer be of the opinion that the termination of services, in respect of which the account is in arrear, could result in the endangerment of the life of any person, the Chief Financial Officer may appropriately restrict rather than terminate the services in question.

If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the following will be applicable with regard to disconnection/restriction of services:

(i) Prepaid electricity may be blocked for purchases if the other services are in arrears; and[9]

24. A Changing meters of defaulters[10]

(i) The water meters of defaulters can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);

[9]Updated 31/05/2012 Council meeting
[10]Updated Council 28/09/2011

(ii) The electricity meters of defaulters can be replaced with split prepaid meters;

(iii) The cost of the replacement meters will be borne by the consumer who can pay the cost in three monthly instalments. If the consumer defaults on the payment for the meters, the electricity supply will be blocked and/or the water consumption will be limited to 200 litres per day (6 kilolitres per month).

25. RECONNECTION/REINSTATEMENT OF TERMINATED/RESTRICTED SERVICES

25.1 Services which have been terminated or restricted shall be reconnected or reinstated by the municipality only when all the following conditions have been met:

- the 30 days arrear account plus the reconnection fee has been paid in full, including the interest raised on such account; and an acceptable arrangement has been entered on the arrears older than 30 days with the municipality, including the interest raised on such account; or a query, as contemplated in Section 22, has been resolved and arrangements for payment as approved by the Chief Financial Officer have been concluded; a revised/existing service agreement has been entered into/reinstated with the municipality, as contemplated in Section 11 of this policy; and
- a suitable cash deposit, as determined by the Chief Financial Officer in terms of Section 12, has been paid to the municipality.

26. PROCEDURE FOR DEBT COLLECTION AND WRITE OFF

Where consumer accounts are in arrears, the Chief Financial Officer is authorised to institute the following procedures with the intention of proceeding until the debt is collected or written off:

26.1 Immediately after due date, disconnect and/or restrict all water and/or electricity services for all overdue amounts relating to rates, service charges or any charges for services rendered by the municipality in terms of the procedures laid down in Section 24 of this policy;

26.2 Thirty days after the due date:

- Tracing action may be authorized and instituted if the whereabouts of the debtor is unknown.

26.3 Sixty days (or any earlier period if the Chief Financial Officer deems that it is in the best interest of the Council) after the due date, and where an account rendered to a customer remains outstanding, the following action may be taken:

- All arrear amounts shall be handed over to the Council's internal or external debt collection agents.

The collection agents will then make use of normal debt collection procedures including a call centre approach and legal processes to collect the amounts owed to Council

- If necessary, the sale in execution of such property to recover arrear property rates and service charges will be instituted (if the accountholder is also the owner of the property).

- All legal expenses incurred by the municipality shall be for the account of the accountholder in default[11].

26.4 The Chief Financial Officer may insist that a consumer, who is utilising a credit meter, convert from that credit metered supply to a prepayment supply. The cost of such a conversion is to be borne by the consumer.

26.5 The Chief Financial Officer may allocate up to thirty (30) percent of any payment for prepayment services to arrear debt.

26.6 The Chief Financial Officer may order that emolument attachment or garnishee orders be instituted on debtors' salaries.

[11]Updated 20/04/2011

26.7 The Chief Financial Officer may withhold rates clearance certificates in terms of Section 118 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) and Section 30 of this policy.

26.8 The Chief Financial Officer may withhold payments of grants-in-aid to consumers whose accounts are in arrears.

26.9 The Chief Financial Officer may withhold payment to suppliers whose accounts are in arrears in terms of the Supply Chain Management policy.

26.10 The Chief Financial Officer may withhold/reject the approval of building plans relating to improvements on properties if there are arrears on that property.

26.11 Whenever all the legal avenues and procedures listed above have been exhausted, or it becomes uneconomical to proceed further, the arrear amounts should be classified as irrecoverable and should be written off.

26.12 The Chief Financial Officer, may forward a report to Council for the writing off of consumer, if such debts may be irrecoverable.

26.13 The Executive Committee, in terms of its delegated authority, may authorize the writing off of the debts wherein after a report will be forwarded to full Council for ratification.

26.14 The Chief Financial Officer shall as soon as possible after 30 June each year, or more regularly if requested by Council to do so, present to the Council a report indicating the amount of the arrears that have been written off during the financial year, together with the reasons for the write off.

26.15 The Chief Financial Officer may write off debts to the value of R1000.00 per individual if he is satisfied that:

- All reasonable steps have been taken to recover the debt and the debt is considered to be irrecoverable, or
- He/she is convinced that recovery of the debt would be uneconomical.

26.16 The Chief Financial Officer may approve the write off of debt outstanding for more than three years, excluding property rates, on condition that all the other debt is paid immediately in full.[12]

26.17 Any debtors whose amounts are written off may be listed with the Credit Bureau and may not be permitted to enter into future service contracts with the Council.

[12] Amended by Council on 28 May 2014

26.18 Industrial consumers can qualify for an early payment rebate of one percent if their account is paid in full within 15 days after the month during which the services were consumed.[13]

26.19 A collection fee of up to 5% of the amount collected on behalf of the municipality may be paid to employers that deduct municipal accounts from their employees.[14]

26.20 If a household is classified as an indigent household in terms of section 6.1 of the Assistance to the poor policy, as amended, then the Chief Financial Officer must prior to implementation of sections 26.2 and 26.3 determine whether the debt would be uneconomical to recover as set out in section 26.15.[15]

26.21 That rental debt when the municipality is the lessor be referred to the Housing Committee for a decision regarding the arrear debt where the unit is to be assigned to another lessee. Where the Housing Committee's decision is to write-off the debt that this first be approved by the Municipal Council before implementation. [16]

27 ILLEGAL TAMPERING AND/OR THEFT OF SERVICES

The Municipality does not condone theft and fraud of municipal services and will monitor the service networks for signs of tampering or irregularities. Furthermore,

27.1 Water and electricity metering and connection equipment remain the property of the municipality and anyone involved in instances of tampering, damaging or theft thereof will be liable for criminal prosecution.

27.2 With regard to electricity services, if tampering of any nature or theft of such services is identified, the electricity supply to the property may be discontinued by the removal of the meter and the cable and the water supply may be restricted. In addition, the customer's service agreement with the Council may be cancelled and the customer's deposit may be offset against any amounts owed to the Council.

27.3 If the restricted water supply is tampered with or any variable flow-restricting device removed, the water supply may be discontinued, the service connection removed and the customer' s service agreement with the Council may be cancelled. The customer's deposit may be offset against any amounts owed to the Council.

27.4 Once Council becomes aware that any terminated or restricted service has been irregularly reconnected or reinstated, the necessary action to remedy the situation will be implemented which could include the Municipal Manager reporting such action to the South African Police Service.

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[13] Amended by Council on 28 May 2014
[14] Amended by Council on 28 May 2014
[15] Updated 04/08/2008 Special Council meeting
[16] Amended by Council on 30 May 2019

27.5 All outstanding amounts including, all metered consumption since the date of the illegal reconnection, or the estimated consumption, if a reliable meter reading is not possible, shall be paid in full together with the required deposit, before any reconnection/reinstatement, and new services agreement are considered.

27.6 If found that any person (natural or juristic) are illegally connected or reconnected to municipal services, or that he/she fiddled with any meter, reticulation network or any other supply equipment, or delivered any unlawful service associated with the provision of municipal services, or stole or damaged any municipal property, he/she shall be prosecuted and/or held liable for fines, as determined by the magistrate.[17]

However, the receipt of payment will not necessarily impact on nor prejudice any legal or criminal proceedings against the customer.

28 UNOCCUPIED PREMISES

28.1 When a consumer terminates a consumption account and no new owner registers, the property is deemed to be unoccupied.

28.2 Whenever water and/or electricity consumption is recorded at a property that is deemed to be unoccupied effort will be made to establish the identity of the person responsible for that consumption, failing which an appropriate bill will be raised and forwarded to the owner of the property for payment. Should payment not be received then the registered owner of the property is liable for the services consumed.

29. CLEARANCE CERTIFICATES

29.1 Before any property can be transferred from one owner to another, all amounts owing to the municipality on the property must be settled. Only after settlement, will the Municipality issue a certificate stating that all outstanding debts have been settled. No property transfer can take place without such a certificate.

29.2 The Municipality requires a payment in advance equal to two[18] months average consumption of all relevant services prior to the issuing of such a clearance certificate in order to allow for any consumption that may take place during the time taken for the transfer to go through.

29.3 The Municipality shall, wherever possible, issue a clearance certificate within ten working days of such request once all outstanding debts and administration fees have been paid in full.

[17] Amended by Council on 30 May 2019
[18] Updated 04/08/2008 Special Council meeting

29.4 The above provisions do not apply in the case of transfers from National Government, Provincial Government or another municipality of residential property where the provisions of Section 118 of the Municipal Systems Act are applicable.

30. MUNICIPAL STAFF

30.1 Any member of staff of the Council and any Councillor may not be in arrears with the Council for rates and/or service charges for a period longer than three months, and the Council will deduct any outstanding amounts from the salary or allowance of such member of staff or Councillor after this period, in accordance with item 10 of Schedule 2 of the Municipal Systems Act, 2000 (Act No. 32 of 2000).

30.2 Staff arrangements made to pay off debt will be adjusted yearly equal to the percentage salary increase.

30.3 Salary deductions will be made from yearly bonuses & performance bonuses to be set off against any arrears or outstanding amount.

30.4 Any back pay, promotions, overtime & standby are first use to reduce arrears of staff.

30.5 Staff members that made arrangements to pay off debt must complete a salary deduction form and this deduction may not be stopped until debt has been paid in full.

30.6 If a staff member is sixty (60) days in arrears and has made no arrangement to pay off the outstanding amount, deduct full amount from salary.

31. REPORTING AND PERFORMANCE MANAGEMENT

31.1 The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Committee as supervisory authority in terms of Section 99 of the Municipal Systems Act, 2000 (Act No.32 of 2000), read with section 100(c).

31.2 If, in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent to the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will immediately move for a revision of the budget according to realistically realisable income levels.

31.3 The Executive Committee shall, at intervals of 3 months, report to Council as contemplated in Section 99(c) of the Municipal Systems Act.

32. DEFINITION OF IRRECOVERABLE DEBT

Debt will only be considered as irrecoverable if it complies with the following criteria:

(a) All reasonable notifications and cost effective legal avenues have been exhausted to recover specific outstanding amount, or

(b) Any amount equal to or less than R500.00, or as determined by Council from time to time, will be considered too small, after having followed basic checks, to warrant further endeavours to collect it, or

(c) The cost to recover debt does not warrant further action, or

(d) The debtor is untraceable or cannot be identified so as to proceed with further action, or

(i) the debtor has immigrated leaving no assets of value to cost effectively recover Council's claim, or

(e) It is not possible to prove debt outstanding, or

(i) a court has ruled that the claim is not recoverable, or

(ii) the outstanding amount is due to an irrecoverable administrative error by the Municipality, or

(f) All arrears will be written off to bad debts where water consumers have had their water leaks repaired, provide the necessary proof and for a period of six months from the date of repair –

(i) Pay their water & sewer bill above the free portion on or before the due date, and

(ii) Maintain their water consumption within affordable levels.

33. COMMUNICATION OF POLICY TO CONSUMERS

33.1 The municipality will, at its own cost, publish the Credit Control and Debt Collection Policy in the local media. The Chief Financial Officer operating under delegated authority will publish the policy on whatever basis is to the Council's best advantage. A copy of the policy will be posted on the municipality's website and hardcopies will be made available on request at the service centres. Any amendments may be communicated on the website and in a newsletter from time to time.

33.2 Councillors must, from time to time, address ward committees on the contents of the policy and any amendments thereto.

34. BY-LAWS TO BE ADOPTED

34.1 By-laws shall be adopted to give effect to the Council's credit control and debt collection policy.

34.2 The by-laws are to comply with the requirements of the Municipal Systems Act, 2000 (Act No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Electricity Act, 1987 (Act No. 41 of 1987) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

34.3 The by-laws deal severely with defaulters, and their application requires a considerable degree of commitment from the Municipal Manager and his or her administration, as well as from the municipality's political structures. For the by-laws to ensure the avoidance of financial misfortunes for the municipality, and to lead to sustained financial stability, their application will have to receive the constant attention of all the municipality' s key role- players and decision makers. If the by-laws are not constantly and consistently applied, from month to month and from year-to-year, the municipality' s political and administrative credibility will be severely impaired, and it may not be able to ensure financial sustainability in the long run.

34.4 Although the by-laws envisage even the termination of basic services for defaulting accountholders this will not in itself, no matter how harsh it may seem to those councillors and officials who are disposed to greater leniency, prevent the accumulation of arrears. The monthly billing for property rates, sewerage charges and refuse removal fees will continue in respect of defaulting accountholders, even though their consumption of electricity and water may have been terminated or restricted. The termination or restriction of services must therefore be seen merely as a vital first step in the credit control programme, and the commitment by the municipality to follow up such actions with the full force of the law at the municipality' s disposal is an essential further step if the accumulation of debts is to be meaningfully curtailed.

35 DECEASED ESTATES

The accounts of deceased estates may be transferred into the names of relatives as determined by the executor of the deceased estate, to allow for the continuation of service delivery to the relevant property on the following conditions:

The historical debt remains a claim against the deceased estate;

The executor of the deceased estate together with the new account holder must enter into an agreement with Witzenberg municipality for the payment of the historical debt;

The normal service deposit is payable by the new account holder unless a report by the municipal social worker indicates that the new account holder cannot afford to pay the deposit;

If the property is let out, the service deposit is payable without any exceptions;

A clearance certificate in terms of section 118 of the municipal systems act may be issued by Witzenberg municipality on condition that the executor of the deceased estate provides the municipality with a guarantee that the outstanding debt will be paid on transfer;

In the instance of a child-headed household the account must remain in the name of the deceased estate, but the estate will qualify for indigent support, if the other criteria for an indigent household are met.

36. ENFORCEMENT OF OTHER LEGISLATION

36.1 In addition to the credit control and debt collection provisions contained in this policy and the published by-laws relating hereto, the Council may enforce any other rights or exercise any power conferred upon it by the Municipal Systems Act, 2000 (No. 32 of 2000), the Water Services Act, 1997 (Act No. 108 of 1997), the Property Rates Act, 2004 (Act No. 6 of 2004) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

36.2 In the event of an inconsistency between the provisions of these and any other by-laws, the provisions of these by-laws shall prevail.

37 COMMENCEMENT DATE

This policy as amended takes effect as from the 01 July 2019.

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

CASH MANAGEMENT AND INVESTMENT POLICY

Date of implementation: 01 July 2008

Reviewed Council 15/06/2010
Council 28/05/2009
Special Council Meeting 13/11/2008 Item 5.4

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APPENDIX A

PREAMBLE

Whereas section 13 of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) determines that a municipality must introduce an appropriate, prudent and effective cash management and investment arrangement;

and whereas a bank, in accordance with the provisions of section 13 of the Act, has to disclose details regarding a municipalities' investments;

and whereas councillors and officials, as trustees of public funds have an obligation to ensure that cash resources are managed as effectively, efficiently and economically as possible;

now therefore the Witzenberg Municipality adopt the cash and investment management policy set out in this document.

1. DEFINITIONS

"Act" means the local government Municipal Finance Management Act, 2003 (Act no. 56 of 2003)

"Council" means the Municipal Council of Witzenberg Municipality

"Gazette" means the Government Gazette

"Investee" means an institution or counterparty with which an investment is placed, or its agent.

"Investment" means an amount of funds deposited in deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) on which interest is earned or received.

"Internal investment manager" means the official appointed or acting as the Manager: Financial administration of Witzenberg Municipality.

2. LEGAL FRAMEWORK

a) Legislation – local government: Municipal Finance Management Act 56 of 2003 (As amended)

b) Treasury regulations in terms of Section 13(1) of the Act (As amended).

3. OBJECTIVES

a) To maximize returns from authorized investments, consistent with the secondary objective of minimizing risk

b) To ensure compliance with all legislation governing the investment of funds.

c) To maintain adequate liquidity to meet cash flow needs

d) To undertake the investment of funds not immediately required for operational purposes in a prudent financial manner.

e) To ensure diversification of permitted investment.

f) To ensure complaints with regard to revenue management as contemplated in Sect 64(d), 64(f) and 64(h) of the Act

g) Te ensure complaints with regard to Sect 10 and 11 of the Act

4. CASH MANAGEMENT POLICY

4.1. General Policy

It is recognised that from time to time, Council has cash flow surpluses and borrowing requirements due to daily receipts and payments. Council maintains a daily cash position summary and a yearly cash flow projection is prepared during the annual planning process and is updated monthly. This determines Council's borrowing requirements and surpluses for investment. Cash invested "outside" the bank account is covered by section 4 of this policy.

4.2. Bank Accounts

Council operates one primary bank account for its day to day operational activity requirements. All monies due to Council and due by Council emanating from Council activities must pass through this primary account.

4.2.1 Cheque Management

Cheques are printed in batch format. To prevent the removing of cheques, cheques are delivered in sealed boxes where strict control is exercised over the numerical sequence of cheques on the expenditure system by means of a cheque register.

4.2.2 Delegation/Rights

The incumbents of the following post are authorized to sign cheques on behalf of Council

4.2.3 Cheques

A-Signatories:	Director: Financial Services/Chief Financial Officer
	Manager: Financial Administration
	Manager Income
	Manager: Supply Chain
B-Signatories:	Accountant Assets & Budgets
	Accountant Credit Control
	Accountant Debtors
	Accountant Expenditure

Each payment needs to be signed by at least two A-signatories, or one A-signatory and one B signatory.

4.2.4 Electronic Funds Transfer (EFT)

Authorisation same as cheques above

4.3 Bank Overdraft

4.3.1 Barring the fact that Council has an approved overdraft facility with its primary banker for possible unanticipated short-term cash flow shortfall, its general policy is to avoid going into overdraft.

Short-term debt is incurred based on expected income and must be repaid within the same financial year. (Section 45 of the MFMA)

4.3.2 Council set the credit limit for the bank overdraft facility at R6, 000, 000 (six million rand).

4.3.3 The terms of the agreement for the bank overdraft facility, including the credit limit, may be changed only by a resolution of council.

4.3.4 Any overdrawn bank account at any date must be reported without avail to Council supported by reasons therefore.

4.3.5 Any short term facility that requires review must first be approved by the Accounting Officer.

4.4 Cash collection

4.4.1 Controlled, secured and prompt cash collection

a) All cashier banking batches and or shifts must be closed at least on a daily basis;

b) Each cashier banking batch must be closed and deposit in the primary bank account separately;

c) All forms, categories or types of money receipted must be quoted in the form or type received, for example cheques as cheques and cash as cash;

d) A cashier must count the money he/she receipted, record the outcome on the cash-up sheet per category, then report to the senior responsible for the closing of the banking batches;

e) No cashier may have access to the closing bank batch facility of the financial system;

f) The senior verifies whether the amounts is correct and send the cashier back if necessary, otherwise closed the banking batch;

g) The cashier in the presence of the senior put the money in the cash bags; seal it and lock it away in his/her fault for collection;

h) All closed banking batches must be deposited and received by the bank within 72 hours;

i) An independent service provider will collect all bags; quote the seal serial number and issue a receipt for the money bags;

j) The service provider must ensure that the bank check the seals, verify the seal number and sign for the money bag; and

k) All shortages must be paid in by the cashier and all surpluses must be receipted in an item number open for this purpose.

4.4.2 Availability of receipting points

a) Cash receipting points will be available in Wolseley, Tulbagh, Ceres, Prince Alfred Hamlet and Op-Die-Berg at municipal offices;

b) The normal office hours are Monday to Thursday 08h30 till 15h30 and Friday 08h30 till 14h30;

c) The Municipality makes use of prepaid electricity sales points in all the suburbs where the Municipality is the approved electricity supplier, these points is open at least from 07h00 till 20h00; and

d) The Municipality also make use of third party payments for example Easy pay and Pay – a- Bill.

4.4.3 Electronic payments directly into bank account

Electronic payments directly into the bank account are allowed provided that the client use his/her debtors account number as reference or booking number or traffic fine number.

4.4.4 Receipt of money by post

a) All mail of the Municipality is opened by an official responsible for Archives in the presence of a cashier responsible for collecting the mail received payments;

b) All monies (cash, cheques and postal orders) are recorded in a register signed by the mail received payments;

c) This cashier will then capture the received payments on the financial system; records the receipting number with the date of the receipt and sign the register;

d) When a cheque is post dated, it is written in a post dated cheque register and then kept in a safe until the valid date and then it is captured; and

e) The senior responsible for the cashiers must verify at least once a week that all payment received via mail is receipted and that all post dated payments has been captured.

5. INVESTMENT POLICY

5.1 General Policy

Generally Council will invest surplus funds with deposit taking institutions registered in terms of the Bank's Act, 1990 (Act 94 of 1990) for terms not exceeding one year in anticipation of cash flow expectations. From time to time, with prior Executive Mayoral Committee approval, investments can exceed 1 [one] year and be made at other institutions/instruments as approved in the National Treasury regulations from time to time.

5.2 Application

5.2.1 This policy applies to all investments made by the Witzenberg Municipality or its duly appointed investment manager.

5.2.2 In addition, all investments must be in accordance with the Municipal Investment Regulations. Where there is a conflict between this policy and the Municipal Investment Regulation, the Municipal Investment Regulations will supersede this policy.

5.2.3 This policy do not apply to -

(a) a pension or provident fund registered in terms of the Pension Funds Act 24 of 1956, or any subsequent legislation; or

(b) in respect of trust money administered by a municipality where a trust deed prescribes how the trust money is to be invested.

5.2.4 Investments dominated in foreign currencies prohibited

Council may make an investment only if the investment is dominated in Rand and is not indexed to, or affected by, fluctuations in value of the Rand against foreign currency.

5.4 Diversification

5.4.1 Council will only make investments with approved institutions which have an A rating as per Appendix A.

5.4.2 Not more than 30% of available funds will be placed with a single institution.

5.4.3 Council must regularly monitor its investment portfolio and when appropriate liquidate an investment that no longer has the minimum acceptable credit rating as specified in 4.4.1 above.

5.5 Investment Managers

5.5.1 External Investment Managers

The municipality may as and when the need arise approach an external A-graded investment manager to administer the investment portfolio on its behalf. The external investment manager will be appointed in terms of SCM policy and service level agreement will govern the functions and responsibility of the service provider. All investments made by the external investment manager on behalf of the Council of Witzenberg must be made within the ambit of this policy and with National Treasury's investment Regulations.

5.5.2 Internal Investment Manager.

All investments made by the internal investment manager shall be in accordance with section 4.4 of this policy.

5.6 INTERNAL CONTROLS OVER INVESTMENTS

5.6.1 Delegations

In terms of section 79 of the Act, the Accounting Officer has delegated to the Director: Finance (CFO), in writing, his duty under section 65(2)(h) to manage the councils available working capital effectively and economically in terms of the prescribed cash management and investment framework. The CFO has sub delegated this duty to the Manager Financial Administration.

5.6.2 Concluding deals

Written mandates, signed by the Manager Financial Administration and the CFO, shall be issued to all investees with whom the Council of Witzenberg invests funds setting out the following:

5.6.2.1 Authorised dealers: name and particulars of the Councils officials who are authorised to transact investments deals with the investees;

5.6.2.2 Authorised signatories: name and particulars of the Councils officials who are authorised to sign written confirmations or any other correspondence in respect of investments transactions.

5.6.2.3 A dealing sheet, signed by an authorised dealer, shall be prepared in all instances for each individual investment, detailing the quotations received and the recommended investee. The Manager Financial Administration, together with any one of the authorised signatories referred to above, shall be authorised to approve the transaction.
A written confirmation of the terms of each investment transaction shall be prepared, and signed off by the Manager Financial Administration and the CFO.

5.7 Ownership

5.7.1 All investments must be made in the name of the Council of Witzenberg Municipality.

5.7.2 Written proof of investments made must obtained from the institution where the investment is made and must be kept on file.

5.7.3 Council may not borrow money for the purposes of investment.

6. DUE CARE

In dealing with financial institutions, the following ethical principles must be observed:

6.1 The Chief Financial Officer and all staff in his/her directorate shall not accede to any influence by or interference from Councillors, investment agents, institutions or any other outsiders.
6.2 Under no circumstances may inducements to invest be accepted;
6.3 Interest rates quoted by one institution must not be disclosed to another institution; and
6.4 The business ethics of any controlling body of which the relevant financial institution is a member must be observed by such institution or body at all times.
6.5 Investments must be made with such judgement and care, under prevailing circumstances like a person of prudence, discretion and intelligence would exercise.
6.6 Investment may not be made for speculation but must be a genuine investment; and
6.7 Investments must in the first instance be made with the primary regards being to the probable safety of the investment, in the second instance to the liquidity needs of the municipality and lastly to the probable income derived form the investment.

7. PERFORMANCE MEASUREMENT

Measuring the effectiveness of Council's treasury activities is achieved through a mixture of subjective measures. The predominant subjective measure is the overall quality of treasury management information. The Chief Financial Officer has primary responsibility for determining this overall quality. Objective measures include:-

7.1 Adherence to policy.

7.2 Timely receipt of interest income.

8. REPORTING

8.1 Reports

REPORT NAME	FREQUENCY	PREPARED BY	RECIPIENT
Bank Balance	Report Daily	Senior Clerk Bank Reconciliations	Manager: Financial administration
Investments	Monthly within 10 working days of the end of the month. As part of section 71 of MFMA report	Accountant	Manager: Financial administration, Chief Finance Officer and Council

8.2 Monthly reports

Monthly reports must set out at least –

(a) the market value of each investment as at the beginning of the reporting period;
(b) any changes to the investment portfolio during the reporting period;
(c) the ,market value of each investment as at the end of the reporting period; and
(d) fully accrued interest and yield for the reporting period

9. ANNUAL REVIEW OF POLICY

This policy on investments will be reviewed annually or earlier if so required by legislation. Any changes to the investment policy must be adopted by council and be consistent with the Act and any National Treasury regulations.

10. EFFECTIVE DATE

The effective date of this amended policy shall be 1 July 2010.

APPENDIX A

APPROVED INSTITUTIONS

Banking Institution	Short-term	Long-term
ABSA Bank Ltd		AAA
Development Bank of SA		AAA
First Rand Bank Ltd		AA+
Sanlam Capital Markets Ltd		A
Imperial Bank Ltd		A+
Investec Bank Ltd		A+
Land and Agricultural Bank of SA		AA-
Nedbank Ltd		AA-
Standard Bank of South Africa Ltd		AA+

1. Long-term ratings

AAA- Obligations which have the highest rating assigned by Fitch IBCA on its nation rating scale for that country. This rating is automatically assigned to all obligations issued or guaranteed by the sovereign state. Capacity for timely repayment of principal and interest is extremely strong, relative to other obligors in the same country.

AA- Obligations for which capacity for timely repayment of principal and interest is very strong relative to other obligors in the same country. The risk attached to these obligations differs only slightly from the country's highest rated debt.

A- Obligations for which capacity for timely repayment of principal and interest is strong relative to other obligors in the same country. However, adverse changes in business economic or financial conditions are more likely to affect the capacity for timely repayment than for obligations in higher rated categories.

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CONSUMER PAYMENT INCENTIVE POLICY (CPIP)

Date of implementation 01 July 2009
Reviewed by Council 15/06/2010
Reviewed by Council 20/04/2011
Reviewed by Council 31/05/2012
Reviewed by Council 29/05/2013
Reviewed and amended by Council on 28/05/2014
Reviewed and amended by Council on 27/05/2015
Reviewed and amended by Council on 18/05/2016
Reviewed and amended by Council on 30/05/2017

1. BACKGROUND

The Credit Control and Debt Collection Bylaws were reviewed and adopted by Council on the 28 May 2008. The purpose of the policy is to encourage the residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens. The policy also aims to promote the Municipal Systems Act 32 of 2000, Sec 97(F) which relates to the extension of time for payment of services. The main focus of the policy is to institute incentive schemes to encourage prompt payment of debtor accounts.

2. OBJECTIVE OF THE SCHEME

To outline the parameters, criteria and procedures within which identified debts of participants to the scheme is written-off in exchange for prompt and timeous payment of future accounts rendered by the Municipality.

3. INCENTIVE DEFINED

3.1 Benefits derived by a participant to scheme

- One tenth of verified debt to be written-off every six month until debt is written-off in totality upon the participant fully complying with the conditions of the scheme.
- Assist consumers in improving the status of their municipal account in two ways, namely the decreasing of their existing debt through write-off and assisting them in ensuring that their current accounts do not deteriorate to a similar state.
- Registered Indigents must ensure that their monthly accounts are up-to-date if consumption has been more than the subsidy provided.
- The Incentive Policy is applicable only on debt relating to Service Charges excluding charges on Property Rates.

3.2 Benefit to Council

- Promotes sustainable and reliable revenue for the Council for future years.
- Creates amongst consumers the awareness and principle of paying for services consumed.
- Limits the financial burden of bad debt on the municipal council in future years.

4. CONDITIONS APPLICABLE TO THE SCHEME

4.1 Participant to promptly and timorously pay six (6) consecutive months account rendered. The account must be paid before or on due date.

4.2 Participant to honour the acknowledgement of debt agreement entered into for the debt not identified for write-off, failing which it invalidates the application on the Incentive Policy.

5. WHO MAY APPLY

5.1 Only domestic consumers and educational schools and Hostels service accounts (Rates excluded) that have active accounts at date of application.

5.2 Only consumers that have outstanding debts as at the 30th June 2017 and the said debt or portion thereof is at date of application still outstanding.[1]

6. WHO MAY NOT APPLY

6.1 Registered indigent consumers.

6.2 Commercial and Industrial consumers.

6.3 Government Departments, which includes schools and Parastatals.

6.4 Consumers utilising domestic premises to operate businesses.

7. METHOD OF COMMUNICATION ON THE SCHEME

7.1 The incentive scheme will be advertised in different mediums - newspapers, road shows and through the monthly statements.

7.2 A consumer must then complete an application form.

7.3 A reconciliation of the account will then be performed to verify whether the applicant qualifies.

8. THE PROCEDURE APPLICABLE

8.1 Verified debt as at 30th June 2017[2] to be "parked" and written-off in instalments as the conditions are met.

8.2 Verified debt accrued after 1st July 2017[3] to be dealt with via an acknowledgement of debt and arrangement for payment by the participant.

8.3 Incentive to be applied with effect from the 1st July 2011 retrospectively and upon approval.

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[1] Recommended for adjustment
[2] Recommended for adjustment
[3] Recommended for adjustment

9. INCENTIVE CALCULATION

One tenth of applicable debt to be written-off upon the participant promptly and timorously paying six (6) consecutive months account rendered in addition to the acknowledgement of debt accrued after 1st July 2017.[4]

Example

(a)	Verified outstanding debt as at the 30th June 2017 amounts to	R5 000-00
(b)	Incentive portion written off each quarter 1/10th of debt as per (a)	R500-00
(c)	Verified outstanding debt for the period accrued after 1st July 2018	R2 400-00
(d)	Monthly accounts rendered	
	Account rendered for July 2018	R352-60
	Account rendered for August 2018	R201-49
	Account rendered for September 2018	R165-82
	Account rendered for October 2018	R199-61
	Account rendered for November 2018	R210-99
	Account rendered for December 2018	R332-84
		R1 463-35
(e)	Acknowledgement of debt agreement (2400/36)	R66-67 per month

Incentive calculation

- The R5 000-00 is "parked thereby targeting it for write-off.
- An agreement is entered into for the R2 400 at R66-67 per month (2400/36)
- For every six consecutive months that the participants' current account and the arrangement of (66-67) must be paid up, an amount of R500-00 will be written-off from the "parked debt".

10. PARTICIPANTS TO THE SCHEME THAT DEFAULT

10.1 Participants, who default will not automatically be removed from the scheme, however their participation will be automatically suspended by the financial system that Council is using should they be in default for by two months or more.

10.2 The participants, in order to be reinstated on the Incentive Policy, must pay all outstanding amounts from the last account which was paid.

10.3 The incentive portion will only be affected if the participant has fully complied with the said conditions referred to in Section 4 of this scheme.

10.4 Participants who default on a regular basis will at management's discretion be removed from the scheme and normal credit control actions in terms of the bylaws will be instituted.

[4] Recommended for adjustment

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PETTY CASH POLICY

Date of implementation: 01 July 2010

Updated Council 15/06/2010
Council 28/05/2009

Petty Cash Policy

1. INTRODUCTION

The management of expenditure of the municipality in an effective and controlled manner is the responsibility of the Accounting Officer of the municipality. Therefore the following petty cash policy is adopted by the Witzenberg Municipality.

Witzenberg Municipality includes the towns and rural areas of:

Ceres,
Prince Alfred's Hamlet,
Op-die-Berg,
Tulbagh, and
Wolseley

2. OBJECTIVES

To comply with regulatory framework in terms of the relevant legislation.

3. REGULATORY FRAMEWORK

a) The Municipal Finance Management Act (56 of 2003)
b) Paragraph 15 of the Municipal Supply Chain Management Regulations of 2005
c) Paragraph 15 of the Municipal Supply Chain Management Policy

4. RESPONSIBILITY AND ACCOUNTABILITY

The key responsibilities in terms of the MFMA (Section 65) are:

(1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
(2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—

(a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;

(b) that the municipality has and maintains a management, accounting and information system which—
(i) recognises expenditure when it is incurred;
(ii) accounts for creditors of the municipality; and

(iii) accounts for payments made by the municipality;

(c) that the municipality has and maintains a system of internal control in respect of creditors and payments;

(d) that payments by the municipality are made—
(i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and
(ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;

The Municipal Manager hereby delegates authority to the Chief Financial Officer.

5. PETTY CASH PURCHASES

Petty cash requests will be made to the designated Petty cash officer in writing. The applicant must ensure that the items requested must be approved Petty Cash items. Petty cash officers will be held accountable for the safe guarding of petty cash.

(a) Petty cash is strictly restricted to cash purchases:

i. up to a transaction value of R2 000.00 (VAT included)

(b) Approved list of Petty cash purchases are as follows:

i. Condolences, well wish cards, bouquets and flowers; keys for offices;
ii. Temporary vehicle licensing and public driver permits
iii. Tollgate fees when an employee is driving with an official vehicle registered in the name of council
iv. Refunds (Library book fees);
v. Refreshments and catering
vi. Purchase other than that specified in (i) to (v) above, may be approved by the CFO in exceptional cases where it is impractical or impossible to follow the official procurement processes provided that:
    1. No approved store items may be purchased by means of a petty cash transaction;
    2. No fixed asset may be purchased by means of a petty cash transaction;
    3. No travel and subsistence claims or disbursements may be paid via petty cash;
    4. Purchases are not split over two or more cash purchase claims;

6. MAXIMUM AMOUNT OF PETTY CASH PER MONTH

Petty cash will only be held in Ceres. The maximum float may not exceed R5 000.00 at any point in time. The maximum amounts of petty cash purchases are limited to R10 000.00 per month.

7. REPORTING

A monthly reconciliation report must be provided within 5 working days after month end to the chief financial officer, including:

(a) The total amount of petty cash purchases for that month: and

(b) Receipts and appropriate documents for each purchase

INDIGENT POLICY

OUR VISION

A Municipality that cares for its community, creating growth and opportunities.

OUR MISSION

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

Reviewed by Council 30/05/2017
Reviewed by Council 18/05/2016
Reviewed by Council 28/09/2011
Adopted by Council 15/06/2010

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2. AIM
3. OBJECT OF THE POLICY
4. PRINCIPLES
5. DEFINITIONS
6. CRITERIA
7. BENEFITS
8. ADMINISTRATIVE PROCEDURES
9. COMMENCEMENT
10. ANNEXURES

1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community and that the social and economical development of the community is assisted in an effort to provide access to the basic level of service in terms of the Constitution of South Africa, Sect 152 (1) (b) and 153 (b).

In an effort to make basic services accessible to the poor and to contribute to poverty alleviation program of National Government, the Council will allocate funds to assist the Poor. This policy, the Indigent Policy, is the tool to ensure that eventually the poor is in the safety net and are protected from measures to deny them access to the basic services. It is however acknowledge that the assistance will only be possible with the assistance of National Governments Fiscal.

2. AIM

To ensure a sound and sustainable manner to provide affordable basic services to the Poor by means of assisting them financially within the legal framework of the powers and functions of the Municipality in order to improve the livelihood, in an effort to creating a prosperous Municipality free of poverty.

3. OBJECT OF THE POLICY

The object of this policy is to:

- Ensure a transparent, accountable and sustainable manner to assist the poor to access of basic services as defined later in the policy;
- Ensure a sustainable manner to assist the poor with the graveyard costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is utilized as a contribution to poverty alleviation.

4. LEGAL FRAMEWORK

The legal framework within to provide basic services, are in terms the Constitution of South Africa:

- Sect 152 (1) (b) – provision of services in sustainable manner,
- Sect 153 (b) – participation in national and provincial programs, and

- Sect 156 – powers and functions to be preformed by the municipalities.

Section 74(2)(c) of the Systems Act, Act 32 of 2000 deals with the ability of the municipality to make provision for the provision of access to at least basic services for the poor households. Sect 118 of the same Act provides the powers to the Municipality to issue clearance certificates and to hold back those of owners who are in arrears.

It is also seen that Sect 151(1) (b) of the Constitution, read with Section 74(2) (c) of the systems act provides enough powers to the Municipality to subsidize the poor with regard to other tariffs as well as to ensure that the household can maintain access to basic services when the head of the household should pass away.

5. DEFINITIONS

In this policy the under mentioned means, unless the context indicates otherwise-

"Household" a family unit consisting of a head of the family, and his or her spouse.[1]

"Indigent household" a household that complies with the criteria as determined in section 6 of this policy.

"Income" All sources of income of a head of the family, and his or her spouse[2], for example salaries, allowances, pensions, rental and business income not limiting it to the examples mentioned, excluding state child support grants, care dependency grants, foster care grants or maintenance support.[3]

"Spouse" includes husband, wife or living partner, including traditional marriages.[4]

6. CRITERIA

Assistance is provided to households that meet the criteria as set out in 6.1 and to old age homes that meet the criteria as set out in 6.2.

6.1. The qualification criteria for urban households in order to receive assistance are as follow:

6.1.1. The head of the household must be a South African citizen;

[1] Recommended for amendment
[2] Recommended for amendment
[3] Amended by Council 28/09/2011
[4] Recommended for inclusion

6.1.2. An application on the prescribe form, fully completed with the required information and signed, must be provided;

6.1.3. The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg;

6.1.4. No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and

6.1.5. The household joint gross income may not exceed the level of R 3,000 per month.

6.1.6. Two individual government pension (old age or disability) that exceeds the threshold as per 6.1.5 may qualify if it is the only household income.[5]

6.1.7. The municipal manager may approve a household as indigent in exceptional circumstances.[6]

6.1.8. As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality[7]

6.2. The qualification criteria for old age homes in order to receive assistance are as follow:

6.2.1. More 50% of the residence within the old age home must receive less than R 3,000 per month income; and

6.2.2. An application on the prescribe form, fully completed with the required information and signed, must be provided.

7. BENEFITS

All benefits are awarded in the form of free use consumption tickets or as a subsidy on the municipal account.

The following benefits are available for:

7.1. Households with a joint gross household income less than R 3,000

[5] Recommended for amendment
[6] Amended by Council 30/05/2017
[7] Recommended for amendment Council 25/03/2020

7.1.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R105 000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 105 0000 market value or the total valuation of property.

7.1.2 Electricity

A subsidy equal to the amount charged for the first 50 kWh consumed per month.

7.1.3 Water

A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where the Municipality is the service providers.

7.1.4 Sanitation

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.5 Refuse removal

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.6 House rental

A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.1.7 Graveyard costs

A subsidy equal to 100% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.1.8 Transfer costs

7.1.8.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

7.1.8.2. A subsidy equal to 100% of the costs of an attorney to transfer the property into the spouse name, this as a result of death of the head of the household whilst approved as a Indigent household and the current registration is not in both parties name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality. ~~An indigent account holder qualifies for a write off if the arrears are linked to a water leakage.~~

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7.2. Old age Homes

7.2.1 Electricity

A subsidy equal to 10% of the amount charged for the service per month

7.2.2 Water

A subsidy equal to 81.2% of the amount charged for the service per month

7.2.3 Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.2.4 Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

7. A Restrictions / limitations on indigent relieve:[8]

(i) The water meters of indigents who consumed in excess of 6 kilolitre water per month and do not pay regularly for the excess can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);

(ii) The electricity meters of indigents who consumed in excess of 50 kWh units of electricity per month and do not pay regularly for the excess can be replaced with split prepaid meters and the connection can be limited to a minimum of 20 Amps;

[8] Amended council 28/09/2011

(iii) The cost of the replacement meters will be borne by the municipality.

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8. ADMINISTRATIVE PROCEDURES

8.1. Organizational Structure

The organizational structure dealing with assistance to the poor is split in decision making and execution.

The decision making component will consist of the elected councilors in the Finance Committee, with the execution unit being the advisors of the committee.

Responsibilities of the Committee:

This committee will ensure that recommendations be made with regard to:

- Policy changes;
- Monitoring of the assistance provided; and
- Serve as the dispute handling committee.

The execution portion will be dealt with by the Social and Economic Development unit of Witzenberg Municipality.

Responsibilities of the unit will include at least:

- Assist households with applications;
- Consider applications according to criteria
- Approve applications;
- Ensure implementation of approved applications;
- Keep administrative record of all applications,
- Assist in reconciling information with the financial system; and
- Prepare monitoring reports.

8.2. Application Procedure

8.2.1. The head of the household, if not the municipal account holder supported by the municipal account holder, must apply for the subsidy in person. The onus to apply is placed on the head of household.

8.2.2. The application must be on the prescribe application form. Attached as Annexure 8.1.2.

8.2.3. The application form must at least include the following documents:

- Copy of the latest municipal accounts, where applicable;
- Copy of the head of the household identification document and in the case of not the account holder the account holder documentation;

- Copy of the deceased identification and death certificate documents, where applicable;
- Proof of income, certified by employer as a true reflection, if applicable;
- Copy of the pension card, UIF card, or interest certificate, etc, if applicable; and
- An affidavit that certifies that the information provided is the truth and nothing but the truth. (Attached as Annexure 8.1.3)
- Copy of the last three months bank statements when required.

8.2.4. The municipality acknowledged the fact that support must be offered in order to ensure access to the subsidy. For this purpose a unit is in tack to assist the poor. All applications must be lodged at this unit, called the Social & Economic Development unit of Witzenberg Municipality.

8.2.5. The Municipality reserves the right that an official of the unit may visit the household residing place in order to establish or confirm the information provided.

8.2.6. The Municipality reserves the right to verify information received by means of ITC checks.[9]

8.2.7. The Municipality undertakes to remind the household, two months prior to expiry of the approval, of the expiry. The non-receiving of the notice in the form of a house visit, letter or via the municipal account will not place the responsibility on the Municipality to ensure re-application.

8.3. Measurement and duration of applications for approval

8.3.1. Measurement whether the application qualify in terms of the criteria as set in section 6 is based on the information as on the date of the application. The municipality reserves the right to lodge their own investigation in order to ensure compliance with the criteria.

8.3.2. An approved application is valid for a period of twelve months.

8.3.3. If an applicants financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affect the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.

8.3.4. The onus rest with the applicant to inform the Municipality of any such changes.

[9] Recommended for amendment

8.3.5. The approval will stop automatically two months after the head of the household passed away. If the household left be hind is still financially in the same position the subsidy must be transferred to the new head of the household. The onus to apply is placed on the new head of the household.

8.3.6. Where the applicant is deceased the surviving next of kin (husband/wife/child/grandchild) have to apply as the new head of the household.

8.3.7. The applicant must:

- indicate that the owner is deceased
- –attached an affidavit (declaration) that he or she is the person to whom the house has been allocated to in the estate
- ~~8.3.5.~~ If there is no estate, all surviving next of kind have to give consent to the applicant to occupy the estate property

8.4. Disputes

Any dispute based on the administrative process or approval of an application will be dealt with by the Finance Committee. The Committee may call the applicant to put their dispute in words or ask the applicant to put it in writing. The Social and Welfare unit must be afforded to provide the committee with documentary proof of the process followed and or reasons for the decision made. The committee may not include in their decision any deviation of this policy.

9. Termination of indigent support

Indigent Support will be terminated under the following circumstances:

- Death of account-holder
- Upon sale of the property
- When circumstances in the indigent household have improved in terms of a gross income exceeding the limit
- If the applicant is found ~~to have left about his/her personal circumstances or has~~to have furnished false information regarding indigent status
- the household head owns a business or a second property or there is a business operated in the property

~~9.~~10. COMMENCEMENT DATE

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This amended policy takes effect as from the 28 September 2011.

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BUDGET VIREMENT POLICY

Date of implementation 01 July 2010

Reviewed by Council 31/05/2012
Council 15/06/2010

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1. Definitions

2. Abbreviations

3. Objective

4. Financial Responsibility

5. Transfer/ Virement Restrictions

7. Transfer / Virement Procedure

Annexure “A” Vote Classification

Annexure “B” Item Classification

1. Definitions

"Accounting officer'' The municipal manager of a municipality is the accounting officer of the municipality in terms of section 60 of the MFMA

''Approved budget'' means an annual budget approved by a municipal council.

"Budget-related policy'' means a policy of a municipality affecting or affected by the annual budget of the municipality as defined in the Budget Policy of the Council

''Chief financial officer'' means a person designated in terms of the MFMA who performs such budgeting, and other duties as may in terms of section 79 of the MFMA be delegated by the accounting officer to the chief financial officer.

"Deputy Chief financial officer''" Deputy Director: Finance[1]

"Capital Budget" This is the estimated amount for capital items in a given fiscal period. Capital items are fixed assets such as facilities and equipment, the cost of which is normally written off over a number of fiscal periods

''Council'' means the council of a municipality referred to in section 18 of the Municipal Structures Act.

"Financial year" means a 12-month year ending on 30 June.

"Line Item" an appropriation that is itemized on a separate line in a budget adopted with the idea of greater control over expenditures [See annexure "B" for current item structure]

"Operating Budget" The Town's financial plan, which outlines proposed expenditures for the coming financial year and estimates the revenues used to finance them.

"Ring Fenced" an exclusive combination of line items grouped for specific purposes for instance salaries and wages.

''Service delivery and budget implementation plan'' means a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget.

"Virement" is the process of transferring an approved budget allocation from one vote to another, with the approval of the Municipal Manager. To enable budget managers to amend budgets in the light of experience or to reflect anticipated changes.

''Vote'' means one of the main segments into which a budget of a municipality is divided for the appropriation of funds for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. [See annexure "A" for current Vote structure]

"Budget transfer" means the transfer of an approved budget allocation from one operating or capital line item to another within a vote, with the approval of the relevant senior manager.

[1]Updated 31/05/2012 Council meeting

2. Abbreviations

2.1. CFO – Chief Financial Officer

2.2. Deputy CFO: Deputy Chief Financial Officer

2.3. IDP – Integrated Development Plan

2.4. MFMA – Municipal Finance Management Act No. 56 of 2003

2.5. SDBIP -Service delivery and budget implementation plan

2.6. CM – Council Minute/'s

3. Objective

To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate service delivery in a financially responsible manner.

4. Financial Responsibilities

4.1 Strict budgetary control must be maintained throughout the financial year in order that potential overspends and / or income under-recovery within individual vote departments is identified at the earliest possible opportunity. (Section 100 MFMA)

4.2 The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control. The budget virement process is one of these controls. (Section 27(4) MFMA)

4.3 It is the responsibility of each manager or head of a department or activity to which funds are allotted, to plan and conduct assigned operations so as not to expend more funds than budgeted. In addition, they have the responsibility to identify and report any irregular or fruitless and wasteful expenditure in terms of the MFMA sections 78 and 102.

5. Virement Restrictions

5.1 No funds may be viremented between votes without consent of both vote holders and the Municipal Manager.

5.2 Virements may not exceed a maximum annual limit of 5 % per vote from which the virement originates.

5.3 A virement may not create new policy, significantly vary current policy, or alter the approved outcomes / outputs as approved in the IDP for the current or subsequent years.

5.4 No virement may commit the Municipality to increase recurrent expenditure, which commits the Council's resources in the following financial year, without the prior approval of the Mayoral Committee.

5.5 No funds may be transferred between line items without approval of the vote holder authorization, in other words the senior Manager's approval.

5.6 Budget may not be transferred from Support service (interdepartmental) costs, Capital financing, Depreciation, Contributions, Grant Expenditure, Insurance and Income Foregone.

5.7 Budget may only be transferred from or to Salaries or employee related costs if approved by the CFO.

5.8 Transfers Virements in capital budget allocations are only permitted within specified action plans and not across funding sources without the written approval of the CFO and the Municipal Manager and must in addition have comparable asset lifespan classifications. [2]

5.9 No virements are permitted in the first three months or the final month of the financial year without the express agreement of the CFO or the Deputy CFO.

5.10 An approved virement/transfer does not give expenditure authority and all expenditure resulting from approved virements must still be subject to the supply chain management policy of Council as periodically reviewed.

5.11 Virements/transfers may not be made between Expenditure and Income.

5.12 No virements/transfers are allowed in terms of income line items.

5.13 No virement/transfers are allowed from capital budget to the operating budget

5.14 Virements/transfers should not result in new projects on the capital budget without the written approval of the CFO and the Municipal Manager[3]

5.15 Virements/transfers of conditional grant funds to a purpose outside than specified in the relevant conditional grant framework are not permitted.

5.16 Virements / Transfers to Travelling and Accommodation and Entertainment line items are only permitted with the approval of the CFO and Municipal Manager[4]

6. Virement Procedure

6.1 All virement/transfer proposals must be completed on the appropriate documentation and forwarded to the relevant Finance Officer for checking and implementation.

6.2 All virements must be signed by the Initiator, Vote Holder, Municipal Manager and the official responsible for budgets.

6.3 All transfers must be signed by the Initiator, Vote holder, the official responsible to process the proposals and a Line Manager within Finance.

6.4 The form must be completed for all Budget Transfers, virements as well as transfers.

[2]Updated 31/05/2012 Council meeting
[3]Updated 31/05/2012 Council meeting
[4]Updated 31/05/2012 Council meeting

6.5 Virements/transfers in excess of R 50,000 require the approval of the Deputy CFO and Virements / Transfers in excess of R 200,000 require the approval of the Chief Financial Officer[5]

6.6 All documentation must be in order and approved before any expenditure can be committed or incurred. (Section 79 MFMA)

6.7 The Municipal Manager will report to the Mayor on a quarterly basis on those virements that have taken place during that quarter.

APPENDIX A

WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS Classification	Cost centres	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Budget & Treasury Office	Property rates	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Administration	Budget & Treasury Office	Director: Financial Services	Manager: Financial Administration
Budget & Treasury Office	Treasury: Debtors	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Credit control	Budget & Treasury Office	Director: Financial Services	Manager: Income
Budget & Treasury Office	Treasury: Supply Chain	Budget & Treasury Office	Director: Financial Services	Manager: Supply Chain
Budget & Treasury Office	Treasury: Audit	Budget & Treasury Office	Director: Financial Services	Manager: Financial Administration
Community & Social Services	Cemeteries	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Library services	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Community Halls & Facilities	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Thusong Centre	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Community & Social Services	Social & Welfare services	Community & Social Services	Director: Community Services	Manager: Social and Economic services
Corporate Services	Control centre	Community & Social Services	Director: Community Services	Manager: Protection Services
Corporate Services	Property maintenance	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Property administration	Corporate Services	Director: Corporate Services	Unknown
Corporate Services	Information Technology	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Human resources	Corporate Services	Director: Corporate Services	Manager: Human Resources
Corporate Services	Tourism	Corporate Services	Director: Corporate Services	Manager: Communications
Corporate Services	Administration	Corporate Services	Director: Corporate Services	Manager: Administration
Corporate Services	Mechanical Workshop	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Corporate Services	Marketing & Communications	Corporate Services	Director: Corporate Services	Manager: Communications
Electricity	Electricity: Administration	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Client Services	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Generation	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Electricity	Electricity: Distribution	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Environmental Protection	Environmental Protection	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Executive & Council	Municipal Manager	Executive & Council	Municipal Manager	Manager: IDP

[5]Updated 31/05/2012 Council meeting

APPENDIX A

WITZENBERGMUNICIPALITY

GFS CLASSIFICATION, COST CENTRE & VOTE STRUCTURE

GFS Classification	Cost centres	Municipal Votes	Vote Holder (Responsible Sec 57 Appointment)	Support Vote Holder (Responsible Line Manager)
Executive & Council	Council cost	Corporate Services	Director: Corporate Services	Manager: Administration
Executive & Council	Town secretary	Corporate Services	Director: Corporate Services	Manager: Administration
Executive & Council	Chief Executive's	Executive & Council	Municipal Manager	Manager: IDP
Housing	Housing: Administration	Housing	Director: Community Services	Manager: Housing
Housing	Housing: Construction	Housing	Director: Community Services	Manager: Housing
Housing	Housing: Maintenance	Housing	Director: Community Services	Manager: Housing
Planning & Development	Licensing & regulation	Community & Social Services	Director: Community Services	Manager: Amenities & Environment
Planning & Development	Local Economical Development	Community & Social Services	Director: Community Services	Manager: Social and Economical services
Planning & Development	Integrated Development Planning	Executive & Council	Municipal Manager	Manager: IDP
Planning & Development	Building Control	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Town Planning	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Project Management	Planning	Director: Technical Services	Manager: Planning & Projects
Planning & Development	Performance Management	Planning	Director: Technical Services	Manager: Planning & Projects
Public Safety	Electricity: Street Lights	Electro Technical Services	Director: Technical Services	Head: Electro Technical Services
Public Safety	Fire Protection	Public Safety	Director: Community Services	Manager: Protection Services
Public Safety	Police & Traffic	Public Safety	Director: Community Services	Manager: Protection Services
Public Safety	Disaster management	Public Safety	Director: Community Services	Manager: Protection Services
Road Transport	Vehicle Licensing & Testing	Public Safety	Director: Community Services	Manager: Protection Services
Road Transport	Roads	Civil services	Director: Technical Services	Manager: Roads & Storm water
Sport and Recreation	Pine forest: Administration	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Security services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Semi permanent units	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Cleaning services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Pine forest: Swimming pools	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Administration	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Cleaning services	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Klipriver park: Swimming pool	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Sport and Recreation	Parks	Sport & Recreation	Director: Community Services	Manager: Amenities & Environment
Sport and Recreation	Sport grounds	Sport & Recreation	Director: Community Services	Manager: Amenities & Environment
Sport and Recreation	Swimming pools	Sport & Recreation	Director: Community Services	Manager: Resorts & swimming pools
Waste Management	Public Toilets	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Dumping Site	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Garden	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Management	Solid Waste - Removal	Civil services	Director: Technical Services	Manager: Solid Waste
Waste Water Management	Sewerage	Civil services	Director: Technical Services	Manager: Water & Sewerage
Waste Water Management	Storm water Management	Civil services	Director: Technical Services	Manager: Roads & Storm water
Water	Water Storage	Civil services	Director: Technical Services	Manager: Water & Sewerage
Water	Water Distribution	Civil services	Director: Technical Services	Manager: Water & Sewerage

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
3001	3000	Salaries	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3002	3000	Bonuses	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3003	3000	Standby	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3004	3000	Overtime	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3005	3000	Housing Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3006	3000	Housing Subsidies	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3007	3000	Entertainment Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3009	3000	Leave paid out	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3010	3000	Transport Allowances	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3011	3000	Resettlement Costs	Employee related costs - Salaries & Wages	Expenditure	Yes*	Yes*
3101	3100	Medical contributions	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3102	3100	Pension contributions	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3103	3100	UIF	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3104	3100	Group Life Insurance	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3105	3100	Bargaining Council Levies	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
3106	3100	Employees Awards	Employee related costs - Social contributions	Expenditure	No	Yes*
3107	3100	Post-retirement benefits	Employee related costs - Social contributions	Expenditure	No	Yes*
3108	3100	Exgratia Pension	Employee related costs - Social contributions	Expenditure	No	Yes*
3109	3900	Finance Cost Medical	Interest Expense - External borrowings	Expenditure	No	No
3110	3900	Finance Cost Long service	Interest Expense - External borrowings	Expenditure	No	No
3111	3900	Finance Cost Exgratia	Interest Expense - External borrowings	Expenditure	No	No
3301	3300	Employee Cost Transferred	Less Employee Costs Allocated	Expenditure	No	No
3401	3400	Mayor	Remuneration of Councillors	Expenditure	No	No
3402	3400	Deputy Mayor	Remuneration of Councillors	Expenditure	No	No
3403	3400	Speaker	Remuneration of Councillors	Expenditure	No	No
3404	3400	Mayoral Committee Allowances	Remuneration of Councillors	Expenditure	No	No
3405	3400	Councillor Allowances	Remuneration of Councillors	Expenditure	No	No
3406	3400	Medical	Remuneration of Councillors	Expenditure	No	No
3407	3400	Pension	Remuneration of Councillors	Expenditure	No	No
3501	3500	Impairment of debtors	Bad Debts	Expenditure	No	No
3502	3500	Impairment of long-term debtors	Bad Debts	Expenditure	No	No
3503	3500	Impairment Debtors (Non-Exchange)	Debt impairment	Expenditure	No	No
3601	3600	Debt Collection Fees - Extern	Collection costs	Expenditure	Yes	Yes
3602	3600	Summonses & Legal Lawsuits	Collection costs	Expenditure	Yes	Yes
3603	3600	Debt Collection Fees - Intern	Collection costs	Expenditure	Yes	Yes
3701	3700	Depreciation	Depreciation and asset impairment	Expenditure	No	No
3702	3700	Depreciation for Rehabilitation	Depreciation and asset impairment	Expenditure	No	No
3704	3700	Impairment for Rehabilitation	Depreciation and asset impairment	Expenditure	No	No
3705	3700	Amortisation	Depreciation and asset impairment	Expenditure	No	No
3801	3800	Buildings	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3802	3800	Network	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
3803	3800	Network - Patchwork	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3805	3800	Network - Resealing	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3806	3800	Network - Main roads	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3807	3800	Network - Traffic signs	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3808	3800	Network - Storm water	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3809	3800	Network - Sidewalks	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3810	3800	Meter replacement	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3811	3800	Pump stations	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3812	3800	Efficient treatment works	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3813	3800	Site - works	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3814	3800	Furniture and Equipment	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3815	3800	Vehicles	Repairs and Maintenance - Municipal Assets	Expenditure	Yes	Yes
3816	4400	Maintenance: Swimming Pool	Other Expenditure	Expenditure	Yes	Yes
3817	4400	Repairs & Maintenance- Computer	Other Expenditure	Expenditure	Yes	Yes
3818	4400	Repairs & Maintenance- Plant & Equipment	Other Expenditure	Expenditure	Yes	Yes
3819	4400	Fire Fighting Equipment	Other Expenditure	Expenditure	Yes	Yes
3901	3900	Interest on Bank overdraft	Interest Expense - External borrowings	Expenditure	Yes	Yes
3902	3900	Interest on External Borrowing	Interest Expense - External borrowings	Expenditure	No	No
3903	3900	Unamortized Discount - Interest	Interest Expense - External borrowings	Expenditure	No	No
3904	3900	Interest Cost Employee Benefit	Interest Expense - External borrowings	Expenditure	No	No
3905	3900	Interest Rehabilitation	Interest Expense - External borrowings	Expenditure	No	No
3906	3900	Interest Paid	Interest Expense - External borrowings	Expenditure	No	No
4101	4100	Electricity purchases (KVA)	Bulk purchases	Expenditure	Yes	Yes
4102	4100	Electricity purchases (kWh)	Bulk purchases	Expenditure	Yes	Yes
4104	4100	Electricity purchases (Fixed charges)	Bulk purchases	Expenditure	Yes	Yes
4105	4100	Electricity (Variable charges)	Bulk purchases	Expenditure	Yes	Yes
4201	4400	Bank charges	General Expenses - other	Expenditure	Yes	Yes
4202	4200	Service supplier contracts	Contracted services	Expenditure	Yes	Yes
4203	4200	Rental of Compactor	Contracted services	Expenditure	Yes	Yes
4204	4200	Legal Costs	Contracted services	Expenditure	Yes	Yes
4205	4200	Town & Regional Planning	Contracted services	Expenditure	Yes	Yes
4206	4400	Insurance	General Expenses - other	Expenditure	Yes	Yes
4207	4200	Transport (Contractor)	Contracted services	Expenditure	Yes	Yes
4208	4200	Transport: Cash	Contracted services	Expenditure	Yes	Yes
4210	4200	Cleaning Contract	Contracted services	Expenditure	Yes	Yes
4212	4200	Cleaning Services	Contracted services	Expenditure	Yes	Yes
4213	4200	Upkeep of Valuation records	Contracted services	Expenditure	Yes	Yes
4214	4200	Toilet services	Contracted services	Expenditure	Yes	Yes
4215	4200	Service Supplier Contracts (Se	Contracted Services	Expenditure	Yes	Yes
4220	4200	Security	Contracted Services	Expenditure	Yes	Yes
4221	4200	Legal Cost (Labour)	Contracted Services	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4301	4400	Subsidy National Government	General Expenses - other	Expenditure	Yes	Yes
4302	4400	Subsidy Provincial Government	General Expenses - other	Expenditure	Yes	Yes
4303	4400	District Municipality	General Expenses - other	Expenditure	Yes	Yes
4304	4400	Grant Other	General Expenses - other	Expenditure	Yes	Yes
4305	5000	Inform. Settl. without account - Refuse	Internal Charges (ACB)	Expenditure	No	No
4306	5000	Inform. Settl. without account - Sewerage	Internal Charges (ACB)	Expenditure	No	No
4307	5000	Inform. Settl. without account - Water	Internal Charges (ACB)	Expenditure	No	No
4308	4400	Grant Belgium - Federal Gov.	General Expenses - other	Expenditure	Yes	Yes
4309	4400	Grant Belgium - Flemish Gov.	General Expenses - other	Expenditure	Yes	Yes
4310	4400	MSIG Wyk 1	General Expenses - other	Expenditure	No	No
4311	4400	MSIG Ward 2	General Expenses - other	Expenditure	No	No
4312	4400	MSIG Ward 3	General Expenses - other	Expenditure	No	No
4313	4400	MSIG Ward 4	General Expenses - other	Expenditure	No	No
4314	4400	MSIG Ward 5	General Expenses - other	Expenditure	No	No
4315	4400	MSIG Ward 6	General Expenses - other	Expenditure	No	No
4316	4400	MSIG Ward 7	General Expenses - other	Expenditure	No	No
4317	4400	MSIG Ward 8	General Expenses - other	Expenditure	No	No
4318	4400	MSIG Ward 9	General Expenses - other	Expenditure	No	No
4319	4400	MSIG Ward 10	General Expenses - other	Expenditure	No	No
4320	4400	MSIG Ward 11	General Expenses - other	Expenditure	No	No
4321	4400	Indigent Electricity (Eskom)	General Expenses - other	Expenditure	No	No
4322	4400	Change of connections	General Expenses - other	Expenditure	No	No
4323	4400	Indigent Change/Transfer cost	General Expenses - other	Expenditure	No	No
4324	4300	Donations	Grants & Subsides Paid	Expenditure	No	No
4325	4400	Grant exp - Workshops	General Expenses - other	Expenditure	No	No
4326	4400	Grant exp - Development project	General Expenses - other	Expenditure	No	No
4327	4400	Grant exp - Stationary & print	General Expenses - other	Expenditure	No	No
4328	4400	Grant exp - Telephone	General Expenses - other	Expenditure	No	No
4329	4400	Grant exp - Traveling & subsistance	General Expenses - other	Expenditure	No	No
4332	4400	OPEX NAT.Grant Expenditure-FMG	General Expenses - other	Expenditure	No	No
4333	4400	OPEX NAT.Grant Expenditure-MSIG	General Expenses - other	Expenditure	No	No
4334	4400	OPEX NAT.Grant Expenditure-EPW	General Expenses - other	Expenditure	No	No
4335	4400	OPEX NAT.Grant Exp-Transformation	General Expenses - other	Expenditure	No	No
4336	4400	Opex NAT.Grant Exp- DWAF	General Expenses - other	Expenditure	No	No
4337	4400	Opex NAT.Grant Exp- MIG	General Expenses - other	Expenditure	No	No
4338	4400	Opex NAT.Grant Exp- RBIG	General Expenses - other	Expenditure	No	No
4339	4400	Opex NAT.Grant Exp- INEP	General Expenses - other	Expenditure	No	No

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4340	4400	Opex Prov.Grant Exp- Library	General Expenses - other	Expenditure	No	No
4341	4400	Opex Prov.Grant Exp- CDW	General Expenses - other	Expenditure	No	No
4342	4400	Opex Prov Grant Exp- Main Road	General Expenses - other	Expenditure	No	No
4343	4400	Opex Prov Grant Exp- Wolseley	General Expenses - other	Expenditure	No	No
4344	4400	Opex Prov Grant Exp- Hand Craf	General Expenses - other	Expenditure	No	No
4345	4400	Opex Prov Grant Exp- Aqua Cult	General Expenses - other	Expenditure	No	No
4346	4400	Opex Prov Grant Exp- Planning	General Expenses - other	Expenditure	No	No
4347	4400	Opex Prov Grant Exp- Housing	General Expenses - other	Expenditure	No	No
4348	4400	Opex Prov Grant Exp- Sport	General Expenses - other	Expenditure	No	No
4349	4400	Opex Prov Grant Exp- PTIP	General Expenses - other	Expenditure	No	No
4350	4400	Opex Prov Grant Exp- Multi Pur	General Expenses - other	Expenditure	No	No
4351	4400	Opex Distr Grant Exp- Asset In	General Expenses - other	Expenditure	No	No
4352	4400	Opex Distr Grant Exp- Water In	General Expenses - other	Expenditure	No	No
4353	4400	Opex Distr Grant Exp- Housing	General Expenses - other	Expenditure	No	No
4354	4400	Opex Distr Grant Exp- Hawkers-	General Expenses - other	Expenditure	No	No
4355	4400	Opex Distr Grant Exp- Streets	General Expenses - other	Expenditure	No	No
4356	4400	Opex Distr Grant Exp- Solid Wa	General Expenses - other	Expenditure	No	No
4357	4400	Opex NAT Grant Exp - Housing	General Expenses - other	Expenditure	No	No
4358	4400	Opex NAT Grant Exp- Rural Dev	General Expenses - other	Expenditure	No	No
4402	4400	Advertising/Printing Stationery	General Expenses - other	Expenditure	Yes	Yes
4404	4400	Pauper Burials	General Expenses - other	Expenditure	Yes	Yes
4405	4400	Rewards	General Expenses - other	Expenditure	Yes	Yes
4406	4400	Fertilisers	General Expenses - other	Expenditure	Yes	Yes
4407	4400	Damages/Replacements	General Expenses - other	Expenditure	Yes	Yes
4409	4400	Chemicals	General Expenses - other	Expenditure	Yes	Yes
4410	4300	Donations	Grants & subsidies paid	Expenditure	No	No
4411	4400	Eskom Electricity	General Expenses - other	Expenditure	Yes	Yes
4412	4400	Advertising	General Expenses - other	Expenditure	Yes	Yes
4413	4400	Gas/Rental of gas bottle	General Expenses - other	Expenditure	Yes	Yes
4415	4400	Dog Expenses	General Expenses - other	Expenditure	Yes	Yes
4416	4400	Rental of Houses	General Expenses - other	Expenditure	Yes	Yes
4417	4400	Rental of Offices	General Expenses - other	Expenditure	Yes	Yes
4418	4400	Communication & Events	General Expenses - other	Expenditure	Yes	Yes
4419	4400	Inspection fees	General Expenses - other	Expenditure	Yes	Yes
4420	4400	Inventory - New	General Expenses - other	Expenditure	Yes	Yes
4421	4400	Koekedouw Dam	General Expenses - other	Expenditure	Yes	Yes
4422	4400	Commission on Recoveries	General Expenses - other	Expenditure	Yes	Yes
4424	4400	Membership fees	General Expenses - other	Expenditure	Yes	Yes
4425	4400	Licensing Radio's	General Expenses - other	Expenditure	Yes	Yes
4426	4400	Machine Rental	General Expenses - other	Expenditure	Yes	Yes
4428	5000	Municipal Services	Internal Charges (ACB)	Expenditure	No	No
4429	4400	Investigations	General Expenses - other	Expenditure	Yes	Yes
4430	4400	Entertainment Mayor	General Expenses - other	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4431	4400	Entertainment Speaker	General Expenses - other	Expenditure	Yes	Yes
4432	4400	Disinfectants	General Expenses - other	Expenditure	Yes	Yes
4433	4400	Public Drivers permit	General Expenses - other	Expenditure	Yes	Yes
4434	4400	Public Entertainment (Tea &Coffee)	General Expenses - other	Expenditure	Yes	Yes
4435	4400	Training	General Expenses - other	Expenditure	Yes	Yes
4436	4400	Auditing External	General Expenses - other	Expenditure	Yes	Yes
4437	4200	Auditing Internal	Contracted services	Expenditure	Yes	Yes
4438	4400	Plant & pest control (chemical)	General Expenses - other	Expenditure	Yes	Yes
4439	4400	Plant material & seeds	General Expenses - other	Expenditure	Yes	Yes
4440	4400	Post Evaluation Cost	General Expenses - other	Expenditure	Yes	Yes
4441	4400	Publicity/tourism	General Expenses - other	Expenditure	Yes	Yes
4442	4400	Rations	General Expenses - other	Expenditure	Yes	Yes
4443	4400	Travelling & Accommodation	General Expenses - other	Expenditure	Yes	Yes*
4445	4400	Sewerage analysis	General Expenses - other	Expenditure	Yes	Yes
4446	4400	Condolences	General Expenses - other	Expenditure	Yes	Yes
4447	4400	Security Services	General Expenses - other	Expenditure	Yes	Yes
4448	4400	Cleaning materials	General Expenses - other	Expenditure	Yes	Yes
4449	4200	Disconnection of services	Contracted services	Expenditure	Yes	Yes
4450	4400	Developing Projects	General Expenses - other	Expenditure	Yes	Yes
4451	5000	Street lighting	Internal Charges (ACB)	Expenditure	No	No
4454	4400	Study bursary	General Expenses - other	Expenditure	Yes	Yes
4455	4400	Telephone and Postage	General Expenses - other	Expenditure	Yes	Yes
4456	4400	Tourism	General Expenses - other	Expenditure	Yes	Yes
4458	4400	Translation services	General Expenses - other	Expenditure	Yes	Yes
4461	4400	TV Transponder	General Expenses - other	Expenditure	Yes	Yes
4462	4400	Pointing out of markers	General Expenses - other	Expenditure	Yes	Yes
4463	4400	Uniforms	General Expenses - other	Expenditure	Yes	Yes
4464	4400	Insurance Claims Expenses	General Expenses - other	Expenditure	No	No
4465	4400	Skills Development Levies	General Expenses - other	Expenditure	No	No
4466	4400	Trade Union costs	General Expenses - other	Expenditure	Yes	Yes
4467	4400	Consumable Items	General Expenses - other	Expenditure	Yes	Yes
4468	4400	Lost Books	General Expenses - other	Expenditure	Yes	Yes
4469	4400	Courier of Council Notifications	General Expenses - other	Expenditure	Yes	Yes
4470	4400	Vehicle Fleet Costs	General Expenses - other	Expenditure	Yes	Yes
4471	4400	Refuse bags	General Expenses - other	Expenditure	Yes	Yes
4472	4400	Valuation costs	General Expenses - other	Expenditure	Yes	Yes
4473	4400	Laundry expenses	General Expenses - other	Expenditure	Yes	Yes
4474	4400	Water sampling - Waste disposal site	General Expenses - other	Expenditure	Yes	Yes
4475	4400	Water research levy	General Expenses - other	Expenditure	Yes	Yes
4476	3100	Employees Awards	Employee related costs - Social contributions	Expenditure	Yes*	Yes*
4477	4400	Special Projects	General Expenses - other	Expenditure	Yes	Yes
4478	3100	Compensation Commissioner	Employee related costs - Social contributions	Expenditure	No	No

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

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4479	4400	Water Levies	General Expenses - other	Expenditure	Yes	Yes
4480	4400	Water Rights Vredebes	General Expenses - other	Expenditure	Yes	Yes
4481	4400	Audit Committee	General Expenses - other	Expenditure	Yes	Yes
4482	4400	Festivals Contribution	General Expenses - other	Expenditure	Yes	Yes
4483	4400	Heating Fuel	General Expenses - other	Expenditure	Yes	Yes
4484	4400	Inauguration of Mayor	General Expenses - other	Expenditure	Yes	Yes
4485	4400	Awareness program	General Expenses - other	Expenditure	Yes	Yes
4486	4400	Removal of aliens	General Expenses - other	Expenditure	Yes	Yes
4487	4400	Special Projects- Old Age Function	General Expenses - other	Expenditure	Yes	Yes
4488	4400	Cleaning & disinfection material	General Expenses - other	Expenditure	Yes	Yes
4489	4400	TV Licences	General Expenses - other	Expenditure	Yes	Yes
4490	4400	Telephone	General Expenses - other	Expenditure	Yes	Yes
4491	4400	Cell phone	General Expenses - other	Expenditure	Yes	Yes
4492	4400	Data lines	General Expenses - other	Expenditure	Yes	Yes
4493	4400	Postage	General Expenses - other	Expenditure	Yes	Yes
4494	4400	Veldt Fire Roads	General Expenses - other	Expenditure	Yes	Yes
4495	4400	Pound of animals	General Expenses - other	Expenditure	Yes	Yes
4496	4400	Projects	General Expenses - other	Expenditure	Yes	Yes
4497	4400	Mayors Golf day	General Expenses - other	Expenditure	Yes	Yes
4498	4400	Ward Committees	General Expenses - other	Expenditure	Yes	Yes
4499	4400	Inventory - Replacements	General Expenses - other	Expenditure	Yes	Yes
4500	4400	Entertainment Director Finance	General Expenses - other	Expenditure	Yes	Yes*
4501	4400	Entertainment Director Corporate	General Expenses - other	Expenditure	Yes	Yes*
4502	4400	Entertainment Municipal Manager	General Expenses - other	Expenditure	Yes	Yes*
4503	4400	Strategic Partnership	General Expenses - other	Expenditure	Yes	Yes
4504	4400	Generator fuel	General Expenses - other	Expenditure	Yes	Yes
4505	4400	Housing plan & policy	General Expenses - other	Expenditure	Yes	Yes
4506	4400	Relief parcels	General Expenses - other	Expenditure	Yes	Yes
4507	4400	Samro licences	General Expenses - other	Expenditure	Yes	Yes
4508	4400	Courier services	General Expenses - other	Expenditure	Yes	Yes
4509	4400	Public participation	General Expenses - other	Expenditure	Yes	Yes
4510	4400	Steering committee & Forum	General Expenses - other	Expenditure	Yes	Yes
4511	4400	Review process cost	General Expenses - other	Expenditure	Yes	Yes
4512	4400	Vehicle Tracking Costs	General Expenses - other	Expenditure	Yes	Yes
4513	4400	International relationships	General Expenses - other	Expenditure	Yes	Yes
4514	4400	Entertainment Director Technical Services	General Expenses - other	Expenditure	Yes	Yes*
4515	4400	Entertainment Director Community Services	General Expenses - other	Expenditure	Yes	Yes*
4516	4400	Op die Berg Office	General Expenses - other	Expenditure	Yes	Yes
4517	4400	MEDICAL EXAMINATIONS	General Expenses - other	Expenditure	Yes	Yes
4518	4300	Donations	Grants & Subsides Paid	Expenditure	No	No
4519	4400	Refreshments - Disciplinary &	General Expenses - other	Expenditure	Yes	Yes

APPENDIX B
WITZENBERG MUNICIPALITY
ITEM CLASSIFICATION

Line Item number	NT code	Description	Classification	Comment	Transfer From	Transfer To
4520	4400	FIRE AMMUNITION	General Expenses - other	Expenditure	Yes	Yes
4521	4400	Fire Fighting Foam	General Expenses - other	Expenditure	Yes	Yes
4522	4400	Corporate Branding	General Expenses - other	Expenditure	Yes	Yes
4523	4400	Consultant Fees	General Expenses - other	Expenditure	Yes	Yes
4524	4400	In-service Training	General Expenses - other	Expenditure	Yes	Yes
4525	4400	Stock losses/write-off's	General Expenses - other	Expenditure	Yes	Yes
4526	4400	Actuarial Loss	General Expenses - other	Expenditure	Yes	Yes
4527	4400	Registrar of Deeds	General Expenses - other	Expenditure	Yes	Yes
4528	4400	Vehicle Cost Grant	General Expenses - other	Expenditure	Yes	Yes
4529	4400	Vehicle Repair Grant	General Expenses - other	Expenditure	Yes	Yes
4530	4400	Cleaning of Rivers	General Expenses - other	Expenditure	Yes	Yes
4531	4400	Festive Lights	General Expenses - other	Expenditure	Yes	Yes
4532	4400	Monitoring Alarm	General Expenses - other	Expenditure	Yes	Yes
4533	4400	Generator Repairs	General Expenses - other	Expenditure	Yes	Yes
4534	4400	Prepaid Electricity (Internal)	General Expenses - other	Expenditure	Yes	Yes
4535	4400	DRIVERS PDP'S & LICENSING	General Expenses - other	Expenditure	Yes	Yes
4536	4400	Towing Cost	General Expenses - other	Expenditure	Yes	Yes
4537	4400	Life Guards	General Expenses - other	Expenditure	Yes	Yes
4538	4400	PPP Investigations	General Expenses - other	Expenditure	Yes	Yes
4903	5000	Internal Recoveries (ABC)	Internal Charges (ACB)	Expenditure	No	No
5101	6210	Asset replacement reserve to	Contributions (from)/ to provisions	Nett Assets	No	No
5102	6280	Back dated Remuneration	Contributions (from)/ to provisions	Nett Assets	No	No
5103	6280	Redundant/ shortages of stock	Contributions (from)/ to provisions	Nett Assets	No	No
5104	6280	Valuation reserve to	Contributions (from)/ to provisions	Nett Assets	No	No
5105	4450	Provision Landfill rehabilitation	Contributions (from)/ to provisions	Expenditure	No	No
5202	6220	Housing account	Contributions (from)/ to provisions	Nett Assets	No	No
			Under special conditions as contained in the policy		Yes*	

WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase

ASSET MANAGEMENT POLICY

Date of Implementation: 01 July 2010

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1. INTRODUCTION

This policy for the management of assets has been designed to assist management and officials of the Witzenberg Municipality with the description of management procedures for Property, Plant and Equipment, Investment Property, Agricultural Assets and Intangible Assets. It also should assist with the capacity to differentiate between activities, which are acceptable in terms of general authorization, supervisory responsibilities and limits of authority to the management of assets and functions of the organisation.

This policy will provide certainty with respect to the handling of asset management procedures undertaken within the organization and will ensure that management and employees understand their respective responsibilities and duties.

For the purpose of this policy, assets exclude inventory and monetary assets such as debtors.

This policy replaces all asset management procedures/instructions and memoranda that have been previously issued.

Failure to comply with this policy will result in the institution of disciplinary procedures in terms of the stipulated human resource policies and procedures of Witzenberg Municipality.

2. OBJECTIVE

The objective of this policy is to ensure that assets of the Municipality are properly managed and accounted for by:

- The accurate recording of essential asset information;
- The accurate recording of asset movements;
- Exercising strict physical controls over all assets;
- Treating the assets correctly in the Municipality's financial statements;
- Providing accurate and meaningful management information;
- Compliance with the Council's accounting policies and Generally Recognised Accounting Practices;
- Adequate insuring of assets;
- Maintenance of Council's assets;
- Ensuring that managers are aware of their responsibilities with regard to the assets; and
- Setting out the standards of management, recording and internal controls so as to safeguard the assets against inappropriate utilisation or loss.

3. STATUTORY FRAMEWORK

The statutory framework for this policy is:

- The Constitution of the Republic of South Africa, Act 108 of 1996;
- Local Government: Municipal Structures Act, No 117 of 1998;
- Local Government: Municipal Systems Act, No 32 of 2000;

- Local Government: Municipal Finance Management Act, No. 56 of 2003;
- Regulation No. 31346 of 2008;
- Municipal Supply Chain Management Regulations No. 27636;
- Generally Recognised Accounting Practice.

4. ACCOUNTING STANDARDS

This document constitutes a policy statement and shall not take precedence over the standards specified by the Accounting Standards Board. The relevant accounting standards include:

- GRAP 1 – Presentation of Financial Statements;
- GRAP 13 – Leases;
- GRAP 16 – Investment Property;
- GRAP 17 - Property, Plant and Equipment;
- GRAP 100 - Non – current Assets Held for Sale and Discontinued Operations;
- GRAP 101 - Agricultural;
- GRAP 102 – Intangible Assets; and
- IAS 36 - Impairment of Assets

Other relevant accounting standards are:
- GRAP 12 on Inventories
- GRAP 11 on Construction Contracts

5. DEFINITIONS

Every effort has been made to use definitions established through legislation, standards of accounting and other guidance on asset management.

"Accounting Officer" means the municipal manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) and being the head of administration and accounting officer in terms of Section 60 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

"Agricultural Activity" is the management by an entity of the biological transformation of biological assets for sale, into agricultural produce, or into additional biological assets.

"Active market" is a market in which all the following conditions exist:

- The item traded within the market are homogeneous;
- Willing buyer and seller can normally be found at any time; and
- Prices are available to the public.

"Agricultural Produce" is the harvested product of the entity's biological assets.

"Amortisation" is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

"Assets" are resources controlled by the municipality as a result of past events and from which future economic benefit or service potential are expected to flow. However for the purpose of this policy exclude inventory and other monetary assets.

"Asset categories" are the six main asset categories defined as follows:

"Asset Life-Cycle" is the cycle of activities that an asset goes through – including planning, design, initial acquisition and/or construction, cycle of operation and maintenance and capital renewal and finally disposal.

"Asset Manager" is any official who has been delegated responsibility and accountability for the control, usage, physical and financial management of the municipality's assets in accordance with the entity's standards, policies, procedures and relevant guidelines.

"Asset Register" is a record of information on each asset that supports the effective financial and technical management of the assets, and meets statutory requirements.

"Biological Asset" is a living animal or plant.

"Biological Transformation" comprises the processes of growth, degeneration, production and procreation that cause qualitative or quantitative changes to a biological asset.

"Carrying amount" is the amount at which an asset is recognized after deducting any accumulated depreciation and accumulated impairment losses.

"Chief Financial Officer" means an officer of a municipality designated by the municipal manager to be administratively in charge of the budgetary and treasury functions.

"Class of property, plant and equipment" means a grouping of assets of a similar nature or function in a municipality's operations, which is shown as a single item for the purpose of disclosure in the financial statements.

"Commercial service" means a service other than a municipal service

(a) rendered by a private sector party or organ of state to or for a municipality or municipal entity on a commercial basis; and
(b) which is procured by the municipality or municipal entity through its supply chain management policy.

"Community Assets" – are defined as any asset that contributes to the community's well-being. Examples are parks, libraries and fire stations.

"Cost" – is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or where applicable, the amount attributed to that asset when initially

recognized in accordance with the specific requirements of Standards of GRAP.

"Depreciation" – is the systematic allocation of the depreciable amount of an asset over its useful life.

"Depreciable Amount" – is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.

"Depreciated replacement cost", in relation to a capital asset, means an amount equivalent to the cost to replace the capital asset on the date of transfer adjusted by a deemed depreciated cost at the date of the transfer taking into account the age and condition of the asset.

"Disposal", in relation to a capital asset, includes –

(a) the demolition, dismantling or destruction of the capital asset; or
(b) any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership.

"Disposal management system" means the system contemplated in regulation 40 of the Municipal Supply Chain Management Regulations, published by General Notice No. 868 of 2005.

"Enhancements / Rehabilitation" is an improvement or augmentation of an existing asset beyond its original recognized service potential for example useful life, capacity, quality and functionality.

"Fair Value" – is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

"GRAP" is Standards of Generally Recognised Accounting Practice

"Head of department / senior manager" – means a manager referred to in section 56 of the Municipal Systems Act.

"Heritage Assets" – are defined as culturally significant resources. Examples are works of art, historical buildings and statues.

"Historical cost" means the original purchase price or cost of acquisition of the capital asset at the time the asset was acquired

An "**impairment loss"** of a cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An "**impairment loss"** of non-cash generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

"Infrastructure assets" are defined as any asset that is part of a network of similar assets. Examples are roads, water reticulation schemes, sewerage

purification and trunk mains, transport terminals and car parks.

"Intangible assets" are identifiable non-monetary assets without physical substance.

"Investment Properties" – are defined as property (land or a building-or part of a building-or both) held (by the owner or by lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

(a) use in the production and supply of goods or services or for administrative purposes; or
(b) sale in the ordinary course of business.

"Municipality" means the Witzenberg Municipality.

"Other Assets" – are defined as assets utilized in normal operations. Examples are plant and equipment, motor vehicles and furniture and fittings.

"Property, Plant and Equipment" (PPE) – are tangible assets that:

- are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- are expected to be used during more than one period.

"Realisable value" means the amount of cash or cash equivalents that could currently be obtained by transferring the capital asset, less the estimated cost of completion and the estimated costs necessary to make the transfer.

"Recoverable Amount" – is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.

"Recoverable service amount" is the higher of a non-cash-generating asset's fair value less costs to sell and its future value in use.

"Residual Value" – of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and condition expected at the end of its useful life.

"Right to use, control or manage" means a right to use, control or manage the capital asset for a period exceeding one calendar month without ceding legal ownership in the asset. In other words, where the granting of such rights do not amount to the transfer or permanent disposal of the asset, for example when a right is acquired through a leasing, letting or hiring out arrangement.

"Senior Manager" is a manager referred to Section 57 of the Municipal Systems Act (MSA) being someone reporting directly to the municipal manager.

"Service provider" –

(a) in relation to a municipal service, means a private sector party or organ of state appointed by a municipality in terms of Chapter 8 of the Municipal Systems Act to perform a municipal service in accordance with that Act; or

(b) in relation to a commercial service, means a private sector party or organ of state appointed in terms of the supply chain management policy of a municipality or municipal entity to render a commercial service to or for the municipality or entity as an independent contractor.

"Supply chain management policy" means the supply chain management policy which a municipality or municipal entity is required to have in terms of Chapter 11 of the Act.

"The Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

"Transfer", in relation to a capital or subsidiary asset, means transfer of ownership in the asset as a result of a sale or other transaction.

"Useful Life" – is either:
- the period of the time over which an asset is expected to be used by the municipality, or
- the number of production or similar units expected to be obtained from the asset by the municipality.

6. BACKGROUND

The utilization and management of property, plant and equipment, investment property, intangible assets and agricultural assets is the prime mechanism by which the Municipality can fulfil its constitutional mandates for:-

- Delivery of sustainable services;
- Social and economic development;
- Promoting safe and healthy environments; and
- Fulfilling the basic needs to the community.

As trustees on behalf of the local community, the Municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future service provision invested in assets.

The policy for the management of assets deals with the Municipal rules required to ensure the enforcement of appropriate stewardship of assets. Stewardship has two components being the:-

- Financial administration by the Chief Financial Officer; and
- Physical administration by the relevant managers.

Statutory provisions are being implemented to protect public property against arbitrary and inappropriate management or disposals by local government.

Accounting standards have been approved by the Accounting Standards Board to

ensure the appropriate financial treatment for property, plant and equipment, investment property, intangible assets and agricultural assets. The requirements of these new accounting standards include:-

- The compilation of asset registers covering all assets controlled by the Municipality.
- Accounting treatment for the acquisition, disposal, recording and depreciation/amortisation of assets.
- The standards to which financial records must be maintained to comply with the new accounting standards.

7. DELEGATION OF POWERS

This policy should be applied with due observance of the Municipality's policy with regard to delegated powers. Such delegations refer to delegations between the Municipal Manager and other responsible officials as well as between the Council and the Executive Mayor and the Council and the Municipal Manager. All delegations in terms of this policy must be recorded in writing.

In accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA), the Municipal Manager is the accounting officer of the Municipality and therefore all designated officials are accountable to him/her. The Municipal Manager is therefore accountable for all transactions entered into by his/her designates.

The overall responsibility of asset management lies with the Municipal Manager. However, the day to day handling of assets should be the responsibility of all officials in terms of delegated authority reduced in writing.

8. RESPONSIBILITY

Municipal Manager

The Municipal Manager is responsible for the management of the assets of the Municipality, including the safeguarding and the maintenance of those assets. He/she must ensure that:-

- The Municipality has and maintains a management, accounting and information system that accounts for the assets of the Municipality.
- The Municipality's assets are valued in accordance with standards of Generally Recognized Accounting Practice (GRAP).
- The Municipality has and maintains a system of internal control of assets, including an asset register.
- Senior managers and their teams comply with this policy.

Chief Financial Officer

The Chief Financial Officer is responsible to the Municipal Manager to ensure that

the financial investment in the Municipality's assets is safeguarded and maintained. He/she may delegate or otherwise assign responsibility for performing these functions but he/she will remain accountable for ensuring that these activities are performed. He/she must ensure that:-

- Appropriate systems of financial management and internal control are established and carried out diligently.
- The financial and other resources of the Municipality assigned to him/her are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented.
- The systems, processes and registers required to substantiate the financial values of the Municipality's assets are maintained to standards sufficient to satisfy the requirements of effective management.
- Financial processes are established and maintained to ensure the Municipality's financial resources are optimally utilized through appropriate asset plan, budgeting, purchasing, maintenance and disposal decisions.
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets.
- The senior managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets.

Senior Managers

The Senior Managers must ensure that:-

- Appropriate systems of physical management and control are established and carried out for assets in their area of responsibility.
- The Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently.
- Any unauthorized, irregular or fruitless or wasteful utilization and losses resulting from criminal or negligent conduct are prevented.
- Their management systems and controls can provide an accurate, reliable and up to date account of assets under their control.
- They are able to justify that their plans, budgets, purchasing, maintenance and disposal decisions for assets optimally achieve the Municipality's strategic objectives.

The senior managers may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

Each senior manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

The responsibility for the physical control of assets rests with the relevant senior manager to whom the responsibility was delegated to in terms of section 79 of the Municipal Finance Management Act, No 56 of 2003.

Each senior manager shall ensure that assets entrusted to him / her are adequately maintained, properly used and insured and ensure that section 78 of the Municipal Finance Management Act, No 56 of 2003, is adhered to.

No amendments, deletions or additions to the asset register shall be made other than by the Asset Manager or by an official acting as the Asset Manager and must be authorized by the Chief Financial Officer.

Upon the resignation / retirement of an employee, the applicable senior manager must inform the Chief Financial Officer and Corporate Service Department in writing that the asset items entrusted to that employee to execute his / her duties are in good order and returned. When necessary the applicable senior manager must inform the Corporate Services Department of any losses and the value of such losses. The ultimate responsibility of any losses lies with the relevant senior manager.

9. ASSET REGISTER

The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of generally recognised accounting practice (GRAP) and any other accounting requirements which may be prescribed.

The asset register shall reflect the following information:

- a brief but meaningful description of each asset
- the date on which the asset was acquired or brought into use
- the location of the asset
- the responsible senior manager and department(s) or vote(s) within which the assets will be used
- the title deed number, in the case of property
- the stand number, in the case of property
- where applicable, the identification number
- the measurement based used (Cost or Fair Value)
- the original useful live
- the revised useful live
- the residual value
- the original cost, or the revalued amount or the fair value if no costs are available
- the (last) revaluation date of the assets subject to revaluation
- the revalued value of such assets
- who did the (last) revaluation
- accumulated depreciation to date
- the depreciation charge for the current financial year
- the carrying value of the asset
- the method and rate of depreciation

- impairment losses incurred during the financial year (and the reversal of such losses, where applicable)
- method of calculating recoverable amount (when impairment test are required in terms of GRAP)
- increases or the decreases resulting from revaluations (if applicable)
- the source of financing
- condition of the asset
- the current insurance arrangements
- whether the asset is required to perform basic municipal services
- whether the asset has been used to secure any debt, and – if so – the nature and duration of such
- security arrangements
- the date on which the asset is disposed of
- the disposal price
- the date on which the asset is retired from use, if not disposed of.

All heads of department under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

An asset shall be capitalised, that is, recorded in the asset register, as soon as it is acquired. If the asset is constructed over a period of time, it shall be recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset. An asset shall remain in the asset register for as long as it is in physical existence.

The Asset Manager must ensure that reconciliations are performed on a monthly basis between the general ledger values and the asset values and to be submitted to the Chief Financial Officer.

The Chief Financial Officer must check and authorize the reconciliations as correct.

Depreciation methods and rates used must be approved by the Chief Financial Officer.

The asset manager should allocate depreciation rates and methods to each asset class, and ensure that depreciation calculations are correctly applied and posted in the general ledger.

10. CLASSIFICATION OF ASSETS

In compliance with the requirements of the National Treasury, the Chief Financial Officer shall ensure that all assets are classified under the following headings in the Fixed Assets Register, and Heads of Departments shall in writing provide the Chief Financial Officer with such information or assistance as is required to compile a proper classification:

10.1 Property, Plant and Equipment

- Land (not held as investment assets).
- Infrastructure assets (assets which are part of a network of similar assets).
- Community assets (assets contributing to the general well-being of the community).
- Heritage assets (culturally significant assets).
- Other assets (ordinary operational assets).
- Housing (rental stock or housing stock not held for capital gain).

Save for land and buildings other assets shall be classified under the following headings:

- Computer equipment;
- Office equipment;
- Furniture and fittings;
- Radio Equipment;
- Plant and machinery;
- Motor Vehicles; and
- Emergency Equipment.

10.2 Investment Property

Investment assets (resources held for capital or operational gain and which are not used by the Municipality). Properties occupied by the Municipality, Councillors or officials are classified as owner-occupied property and are therefore not classed as investment property

Investment properties will be treated in accordance with GRAP 16 and will separately be classified in the Statement of Financial Position. Investment properties will not be depreciated but will annually be revalued.

10.3 Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance.

Intangible assets will be treated in accordance with GRAP 102 and will separately be classified in the Statement of Financial Position. Intangible assets shall be valued at cost less any accumulated amortization and any impairment losses.

10.4 Agricultural Assets

Agricultural Assets will be treated in accordance with GRAP 101 and will separately be classified in the Statement of Financial Position,

10.5 Assets Treated as Inventory

Any land or buildings owned or acquired by the municipality with the intention of selling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of selling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's statement of position.

Such inventories shall, however, be recorded in the asset register in the same manner as other fixed assets, but a separate section of the asset register shall be maintained for this purpose.

The Chief Financial Officer shall use the classifications indicated in the Annexure on estimated lives of assets, as a guideline and in the case of an item of assets not appearing in the Annexure shall use the classification applicable to the asset most closely comparable in the Annexure.

11. CAPITALISATION CRITERIA

PPE and Intangible Assets

All assets may only be acquired in terms of council's Supply Chain Management Policy and in terms of the budgetary provisions. The responsibility for the purchase of assets would be delegated in terms of council's Delegation Framework and Supply Chain Management Policy. Depending on the cost of the asset to be purchased the following procedure for purchasing an asset must be followed:

- Senior managers shall at all times ensures that there are enough funds in their departmental budgets before requesting approval to any requisition to purchase an asset;
- Senior managers shall ensure that the correct vote and expenditure line item are used and recorded on the requisition requesting approval to purchase an asset;
- Tenders or quotations as required in terms of council's Supply Chain Management policy should be obtained and where required submitted to council's tender committee for approval;
- The tender committee resolution of the approved tender or recommended quotation should be attached to the requisition signed by the relevant head of department;
- The order would then be generated by the Budget and Treasury department;
- Once delivered the asset must be labelled / bar-coded by the Budget and Treasury department before such asset is put into use;
- The senior manager should endorse receipt of the asset on the invoice and forwarded it for payment to the Budget and Treasury department; and
- The Budget and Treasury department would then generate payment.

The completion of any immovable asset by or under control of every head of department should promptly be declared to the Chief Financial Officer in writing

stating the full details required for recording in the assets register.

All PPE and intangible assets shall be carried in the asset register, and appropriately recorded in the annual financial statements, at their original cost or fair value less any accumulated depreciation or amortisation in the case of intangible assets.

The original cost of an item of PPE or intangible assets may include:

- Cost price;
- Financing costs (MFMA section 46(4));
- Import tax;
- Non-claimable purchase tax; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When payment for an item of PPE or intangible assets is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When an item of PPE is acquired to be exchanged or partly exchanged for a dissimilar item of PPE or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, “fair value” shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

The only exceptions to this rule shall be revalued items of PPE (see part 7.9 below) and heritage assets in respect of which no depreciation is recorded in the fixed asset register.

Subsequent expenditure relating to an asset that has already been capitalized, should only be added to the carrying amount of the asset when it is probable that future economic benefits or potential service delivery, in excess of the originally assessed standard of performance of the existing asset, will flow to the municipality.

Investment Property

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The cost of purchased investment property includes all directly attributable expenditure (professional fees for legal services, property transfer taxes and other transaction costs).

When payment for an investment property is deferred beyond normal credit terms, its cost is the cash price equivalent. The difference between this amount and the total payments is recognized as an interest expense over the period of credit.

When investment property is acquired to be exchanged or partly exchanged for a dissimilar investment property or other asset, the cost of such item is measured at the fair value of the asset received, which is equivalent to the fair value of the asset given up adjusted by the amount of any cash or cash equivalents paid additional. For the purpose hereof, "fair value" shall be determined by the council with due regard to the definition ascribed to fair value in paragraph 2 hereof.

After initial recognition investment property will be measured at fair value. A gain or loss arising from a change in fair value shall be recognized as a profit or loss in the Statement of Financial Performance in the period in which it arises. The fair value of investment property shall reflect market conditions at reporting date.

In terms of GRAP 16 transfers to and from investment property shall be made when there is a change in use:

(a) Commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
(b) Commencement of development with a view to sale, for a transfer from investment property to inventories;
(c) End of owner-occupation, for a transfer from owner-occupied property to investment property; or
(d) Commencement of an operating lease to another party, for a transfer from inventories to investment property.

When an investment property is transferred to inventory or owner-occupied property, the property's deemed cost is the fair value of the property at the date of the change in use.

For a transfer from inventories to investment property, that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognized in the Statement of Financial Performance.

Reinstatement, Maintenance and Other Expenses

Only expenses incurred in the enhancement of an asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of an asset shall be capitalised.

Expenses incurred in the maintenance or reinstatement of an asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

Expenses, which are reasonably ancillary to the bringing into operation of an asset, may be capitalised as part of such asset. Such expenses may include but need not be limited to import duties, forward cover costs, transportation costs, and installation, assembly and communication costs.

Intangible Assets

Assets that meet the criteria of GRAP 102 (Intangible Assets) shall be recognized as Intangible Assets at cost.

Heritage Assets

If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the fixed asset register without an indication of the costs or fair value concerned.

For Statement of Financial Position purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

Donated Assets

Where an asset is donated to the municipality, or an asset is acquired by means of an exchange of assets between the municipality and one or more other parties, the asset concerned shall be recorded in the asset register at its fair value, as determined by the Chief Financial Officer.

12. DEPRECIATION

Depreciation of PPE

All PPE, except land and heritage assets, shall be depreciated – or amortised in the case of intangible assets.

Depreciation may be defined as the monetary quantification of the extent to which PPE is used or consumed in the provision of economic benefits or the delivery of services.

Depreciation shall generally take the form of an expense both calculated and debited on a annual basis against the appropriate line item in the department or vote in which the item of PPE is used or consumed.

However, depreciation shall initially be calculated from the day following the day in which an item of PPE is acquired or – in the case of construction works and plant and machinery – the day following the day in which the item is brought into use, until the end of the year concerned. Thereafter, depreciation charges shall be calculated annually.

Each Head of Department, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable PPE controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Rate of Depreciation and Amortisation

The Chief Financial Officer shall assign a useful operating life to each depreciable item of PPE recorded on the Municipality's asset register. In determining such a useful life the Chief Financial Officer shall use to the useful lives set out in the annexure to this document as a guideline.

In the case of an item of PPE which is not listed in this annexure, the Chief Financial Officer shall determine a useful operating life, if necessary in consultation with the Head of Department who shall control or use the item in question, and shall be guided in determining such useful life by the likely pattern in which the item's economic benefits or service potential will be consumed.

The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other PPE.

Method of Depreciation

The Chief Financial Officer shall allocate the depreciable amount of all depreciable PPE and intangible on a systematic basis over its useful life.

The residual value and useful life of an asset shall be reviewed at least at each reporting date and, if expectations differ from previous estimates, the changes shall be accounted for as a change in accounting estimate in accordance with GRAP 3.

13. AMENDMENT OF ASSET LIVES AND DIMINUTION IN THE VALUE OF PPE

Only the Chief Financial Officer may amend the useful operating life assigned to any PPE, and when any material amendment occurs the Chief Financial Officer shall inform the Council of such amendment.

The Chief Financial Officer shall amend the useful operating life assigned to any item of PPE if it becomes known that such item has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the item's economic benefits or service potential will be consumed.

If the value of an item of PPE or intangible assets has been diminished to such an extent that it has no or a negligible further useful operating life or value such item shall be fully depreciated or eradicated in the financial year in which such diminution in value occurs.

Similarly, if an item of PPE has been lost, stolen or damaged beyond repair, it shall be fully depreciated in the financial year in which such event occurs, and if the item has physically ceased to exist, it shall be written off in the asset register.

In all of the foregoing instances, the additional depreciation expenses shall be debited to the department or vote controlling or using the item of PPE or intangible asset in question.

If any of the foregoing events arises in the case of a normally non-depreciable item of PPE, and such item has been capitalised at a value other than a purely nominal value, such item shall be partially or fully depreciated, as the case may be, as though it were an ordinary depreciable item of PPE, and the department or vote controlling or using the item in question shall bear the full depreciation expenses concerned.

Additional depreciation not budgeted for as a result of unforeseeable or unavoidable circumstances must be provided for in an adjustments budget and, if such circumstances arises close to the end of the financial year and there will not be time for Council to consider the adjustments before the end of the financial year, may in advance be approved by the Mayor in terms of Section 29 of the MFMA, provided that any other provisions of the MFMA be complied with.

14. IMPAIRMENT OF ASSETS

The accounting treatment relating to impairment losses is outlined in IAS37.

The carrying amount of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.

When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognised as an expense immediately, unless it reverses a previous revaluation in which case it should be charged to the Revaluation Reserve.

The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to the recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification works is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of the recoverable amount.

The following may be indicators that an asset is impaired:

- The asset has been damaged.
- The asset has become technologically obsolete.
- The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
- Land is purchased at market value and is to be utilized for subsidized housing developments, where the subsidy is less than the purchase price.

The following steps will have to be performed regularly during the year to account for impairment losses:

- Departments will identify and inform the Chief Financial Officer of assets that:

  - Are in a state of damage at year end.
  - Are technologically obsolete at year end. .
  - Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
  - Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts.

- The recoverable amounts of these assets need to be determined by calculating the net selling price per asset as defined above.

- The impairment loss per asset is the difference between the net selling price and the carrying value of the asset.

- The impairment loss needs to be accounted for by identifying the relevant funding source.

15. REVALUATION OF ITEMS OF PPE

All land and buildings recorded in the Municipality's asset register shall be revalued when the Council is of the opinion that economic conditions have had a substantial impact on the on the value of land and buildings within the municipal area. Under such circumstances a sworn valuer will be appointed to perform a valuation of all land and buildings.

The Chief Financial Officer shall adjust the carrying value of the land and buildings concerned to reflect in each instance the value of the items as recorded in the valuation roll, provided the Chief Financial Officer is satisfied that such value reflects the fair value of the land and buildings concerned.

The Chief Financial Officer shall also, where applicable, create a revaluation reserve for each such item equal to the difference between the value as recorded in the valuation roll and the carrying value of the item before the adjustment in question.

The buildings concerned shall thereafter be depreciated on the basis of its revalued amount, over its remaining useful operating life, and such increased depreciation expenses shall be budgeted for and debited against the appropriate line item in the department or vote controlling or using the buildings in question.

The Chief Financial Officer shall ensure that an amount equal to the difference between the new (enhanced) annual depreciation expense and the depreciation expenses determined in respect of such buildings before the revaluation in question is transferred each year from the revaluation reserve to the Municipality's appropriation account. An adjustment of the aggregate transfer shall be made at the end of each financial year, if necessary.

If the amount recorded by the valuer is less than the carrying value of the item of

land or buildings recorded in the asset register, the Chief Financial Officer shall adjust the carrying value of such item by increasing the accumulated depreciation of the item in question by an amount sufficient to adjust the carrying value to the value as recorded by the valuer. such additional depreciation expenses shall form a charge, in the first instance, against the balance in any revaluation reserve previously created for such item, and to the extent that such balance is insufficient to bear the charge concerned, an immediate additional charge against the department or vote controlling or using the item of land or building in question

Revalued land and buildings shall be carried in the asset register, and recorded in the annual financial statements, at their revalued amount, less accumulated depreciation (in the case of buildings).

16. ACQUISITION OF ASSETS

Pre-acquisition Planning

Before a capital project is included in the budget for approval, the Chief Financial Officer must demonstrate that he/she has considered the following:

- The projected cost over all the financial years until the project is operational;
- The future operational costs and revenue on the project, including the tax and tariff implications;
- The financial sustainability of the project over its use full life including revenue generation and subsidisation requirements;
- The physical and financial stewardship of that asset through all stages of its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of the capital project in the Integrated Development Plan and future budgets; and
- Alternatives to the capital purchase.

The heads of department are accountable to ensure that the Chief Financial Officer receives all reasonable assistance, guidance and explanation to enable him to achieve his planning requirements.

Approval to Acquire Property, Plant and Equipment

Money can only be spent on a project if:

- The money has been appropriated in an approved Capital Budget;
- The project, including the total cost has been approved by the Council;
- The Chief Financial Officer confirms that funding is available for that specific project; and
- Any contract that will impose financial obligations beyond two years after the budget year is appropriately disclosed.
- The Supply Chain Management Policy is adhered to.

Authorization for the acquisition of assets should be as per this municipality's delegation of authority and payment for assets shall be in accordance with financial policies and regulations of this Municipality.

Funding of Capital Projects

Within the Municipality's on-going financial, legislative or administrative capacity, the Chief Financial Officer must establish and maintain the funding strategies that optimise the municipality's ability to achieve its strategic objectives as stated in the Integrated Development Plan. The acquisition of assets may not be funded over a period longer than the useful life of that asset.

17. PURCHASE OR HIRE OF IMMOVABLE PROPERTY

The municipality may acquire by purchase, or by hire, immovable property within- or outside the municipal boundary provided it complies with the requirements of the MFMA and the Supply Chain Management policy and subject to the following:

- The cost of the purchase or hire had been budgeted for; and
- The intention to buy or hire the immovable property had been advertised for public comment.
- After consideration of any public comments/objections the Council will:
    - In the case of the following paragraph complies with the requirements of that paragraph; and
    - In the case of all other immovable property, finally resolve to continue with the purchase or hire and apply the supply chain management processes
- The Council will not continue with the purchase or hire of any immovable property where:
    - The price is in excess of the market value thereof as assessed by an appraiser; or
    - The rental which, when calculated per annum in the case of:
        - Immovable property hired for agricultural purposes, exceeds six present; and
        - Immovable property hired for any other purpose, exceed twelve present of the market value of the property, as assessed by an appraiser.

The Council may accept a gift or conveyance of immovable property either for the municipality or in trust for charitable or other public purposes not connected with public worship, and hold the same in such trust or for such purpose as may be declared by such donors and may administer, utilize and improve such property.

The trustees of any immovable property held in trust for any township village of settlement which has become a municipality or part of a municipality may transfer such property to the Council, subject to any special trusts in their deeds of title and upon conditions not at variance therewith.

18. GUIDELINE PROCEDURES FOR ADDITIONS TO ASSETS

The Asset Manager must ensure all additions to assets are in accordance with an approved Capital Budget. Additions must be updated on a monthly basis in the Municipality's Asset Register. All additions must be approved by the Chief Financial Officer.

19. FUNDING OF PPE AND RESERVES

The purchase of assets may be funded from the raising of external loans, leases, government- and public contributions, the Capital Replacement Reserve and surplus cash.

The Chief Financial Officer shall ensure that in respect of all assets financed from grants or subsidies or contributions received from other spheres of government or from the public at large, as well as in respect of assets donated to the Municipality, a government grants reserve or public contribution reserve for future depreciation is created equal in value to the capitalised value of each item of asset in question.

The Chief Financial Officer shall thereafter ensure that in the case of depreciable PPE an amount equal to the annual depreciation expenses of the items concerned are transferred each year from such reserve to the Municipality's accumulated surplus.

20. ALIENATION OF ASSETS

In compliance with the principles and prescriptions of the Municipal Finance Management Act, the transfer of ownership of any item of PPE shall be fair, equitable, transparent, competitive and consistent with the municipality's supply chain management policy and the Municipal Asset Transfer Regulations

Every head of department shall report in writing to the Chief Financial Officer on 30 April of each financial year on all assets controlled or used by the department concerned which such head of department wishes to alienate by public auction or public tender.

The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the council or the municipal manager of the municipality, as the case may be, recommending the process of alienation to be adopted.

The council shall delegate to the municipal manager the authority to approve the alienation of any moveable asset with a carrying value less than R200 000 (two hundred thousand rand). The council shall ensure that the alienation of any asset with a carrying value equal to or in excess of R200 000 (two hundred thousand rand) takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004.

In terms of Section 14 of the Municipal Finance Management Act, 2004 the Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of assets needed to provide the minimum level of basic municipal services.

The Municipality may transfer ownership or otherwise dispose of assets other than one contemplated above, but only after the Council, in a meeting open to the public:-

- has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
- has considered the fair market value of the item and the economic and community value to be received in exchange for the asset;
- That a public participation process be held before council's assets can be alienated.

The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be subsequently reversed by the Municipality after that asset has been sold, transferred or otherwise disposed of.

Once the assets are alienated, the Chief Financial Officer shall treat the disposal of the items in terms of GRAP and amend the relevant records of the asset register. If the proceeds of the alienation are less than the carrying value recorded in the asset register, such difference shall be recognised as a loss in the Statement of Financial Performance of the department or vote concerned.

If the proceeds of the alienation, on the other hand, are more than the carrying value of the asset concerned, the difference shall be recognised as a gain in the Statement of Financial Performance of the department or vote concerned.

All gains realised on the alienation of assets shall be appropriated annually to the municipality's Capital Replacement Reserve (except in the cases outlined below), and all losses on the alienation of fixed assets shall remain as expenses on the Statement of Financial Performance of the department or vote concerned.

If, however, both gains and losses arise in any one financial year in respect of the alienation of the assets of any department or vote, only the net gain (if any) on the alienation of such assets shall be appropriated to the Capital Replacement Reserve.

Transfer of assets to other municipalities, municipal entities (whether or not under the municipality's sole or partial control) or other organs of state shall take place in accordance with the Municipal Asset Transfer Regulations.

21. GUIDELINE PROCEDURES FOR THE DISPOSAL OF ASSETS

The Senior Manager must submit a motivation for the disposal of an asset under his/her control to the Chief Financial Officer.

The Chief Financial Officer must authorize, by signature the motivation and submit the motivation to the Accounting Officer for his/her approval.

Before computer equipment is disposed the Chief Financial Officer must consult the IT section.

All combined motivations must be submitted to the Asset Manager to update the asset register of the municipality and the book of accounts regarding the sale.

The following information should be update in the asset register:

- Reason for disposal;
- Information relating to the buyer;
- Individual requesting disposal;
- Cost, book value and proposed selling price of the asset;
- Date of sale;
- Method of payment;
- Receipt number; and
- The relevant asset information

22. OTHER WRITE-OFFS OF PPE

An item of PPE, even though fully depreciated, shall be written off when it can no longer be used, in consultation with the Head of Department controlling or using the item concerned.

Every Head of Department shall report to the Chief Financial Officer on 31 October and 30 April of each financial year on any item of PPE which such Head of Department wishes to have written off, stating in full the reason for such recommendation.

The Chief Financial Officer shall consolidate all such reports, and shall promptly notify the Council on the PPE to be written off.

The only reasons for writing off PPE, other than the alienation of such item of PPE, shall be the loss, theft, and destruction or material impairment of the PPE in question.

If an item of PPE must be written off as a result of an occurrence out of the control of the municipality, such as malicious damage, theft or destruction, the municipal manager must determine whether a third party or an employee was involved in the loss and take all reasonable steps to recover such loss, including reporting the incident to the South African Police Services and the Auditor General, the insurance as well as institute disciplinary steps against any employee who might have been involved in such incident.

In every instance where a not fully depreciated item of PPE is written off, the Chief Financial Officer shall immediately debit to such department or vote, as additional depreciation expenses, the full carrying value of the item concerned.

23. MANAGEMENT AND OPERATION OF ASSETS

Accountability to manage assets

Each Senior Manager is accountable to ensure that Municipal resources assigned to them are utilized effectively, efficiently, economically and transparently. This will include:

- Developing appropriate management systems, procedures, processes and controls for managing assets;
- Providing accurate, reliable and up to date account of assets under their control; and
- The development and motivation of relevant strategic asset management plans and operational budgets that optimally achieve the Municipality's strategic objectives.

Contents of a strategic management plan

Senior Managers need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost. To achieve this, the Senior Manager will need to develop strategic asset management plans that cover:-

- Alignment with the Integrated Development Plan;
- Operational guidelines;
- Performance monitoring;
- Maintenance programs;
- Renewal, refurbishment and replacement plans;
- Disposal and Rehabilitation plans;
- Operational, financial and capital support requirements, and
- Risk mitigation plans including insurance strategies

The operational budgets are the short to medium term plan for implementing this strategic asset management plan.

Reporting of Emerging Issues

Each Functional Manager should report to the Municipal Manager on issues that will significantly impede the item of asset capabilities to provide the required level of service or economic benefit.

Verification of Assets

The Municipality shall at least once during every financial year undertake on a

date as determined by the Chief Financial Officer a comprehensive verification of all moveable assets controlled or used by all the departments of the Municipality.

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all relevant results of such verification, provided that each such item of asset verification shall be undertaken and completed during 30 June of each financial year, and that the resultant report shall be submitted to the Chief Financial Officer not later than 30 June of the year in question.

Movement of Assets

Every Head of Department shall promptly and fully report in writing to the Chief Financial Officer, in the format determined by the Chief Financial Officer, all transfers from its original location of assets (including minor assets items) within 5 working days after transfer of such item.

24. MAINTENANCE

Maintenance Plans

Every Head of Department shall ensure that a maintenance plan in respect of every new infrastructure asset with a value of R100 000 (one hundred thousand rand) or more is promptly prepared and submitted to the Council for approval.

If so directed by the Municipal Manager, the maintenance plan shall be submitted to the Council prior to any approval being granted for the acquisition or construction of the infrastructure asset concerned.

The Head of Department controlling or using the infrastructure asset in question, shall annually report to the Council, not later than in July or the earliest Council meeting thereafter, of the extent to which the relevant maintenance plan has been complied with, and of the likely effect which any non-compliance may have on the useful operating life of the item concerned.

Deferred Maintenance

If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset, the Chief Financial Officer shall disclose the extent of and possible implications of such deferred maintenance in an appropriate note to the annual financial statements. Such note shall also indicate any plans which the Council has approved in order to redress such deferral of the maintenance requirements concerned.

If no such plans have been formulated or are likely to be implemented, the Chief Financial Officer shall re-determine the useful operating life of the fixed asset in question, if necessary in consultation with the Head of Department controlling or using such item, and shall recalculate the increased annual depreciation expenses accordingly.

General Maintenance of Assets

Every Head of Department shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such item attain their useful operating lives.

25. REPLACEMENT STRATEGY

The Municipal Manager, in consultation with the Chief Financial Officer and other Heads of Departments, shall formulate norms and standards for the replacement of all normal operational assets. Such norms and standards shall be incorporated in a formal strategy, which shall be submitted to the Council for approval. This strategy shall cover the replacement of motor vehicles, furniture and fittings, computer equipment, and any other appropriate operational items.

Such strategy shall also provide for the replacement of assets which are required for service delivery but which have become uneconomical to maintain.

26. TRANSFER OF ASSETS

When assets are transferred to other Government Departments or municipalities, a document with specific authorization should be attached to the asset to ensure the validity of the transfer.

The document should also include:

- Asset description;
- Cost of the asset;
- Date of acquisition;
- Unique asset number;
- Effective date of transfer;
- Quantity; and
- Authorization by both transferor and transferee.

The asset manager must then effect the transactions in the book of accounts of the municipality on the day the asset is transferred to the transferee.

27. PHYSICAL SECURITY OF ASSETS

Every Senior Manager shall be directly responsible for the physical safekeeping of any asset controlled or used by their department.

In exercising this responsibility, every Senior Manager shall adhere to directives issued by the Chief Financial Officer with regard to the control and safekeeping of the municipality's assets.

All assets should be kept in a secure location, maintained regularly, insured against theft or destruction, utilized economically and efficiently.

When it is suspect that an employee abuses assets, this fact should be reported to the Chief Financial Officer within 48 hours. Such an employee should be subject to the disciplinary procedures as described in terms of the Standard

Conditions of Service.

All items of Property, Plant and Equipment lost, stolen or damage must be reported to the Chief Financial Officer within 48 hours after discovery for further investigation and reporting required by the Municipal Finance Management Act No. 56 of 2003.

28. INSURANCE OF ASSETS

The Accounting Officer must ensure that all movable assets are insured at least against fire and theft, and municipal buildings and infrastructure are insured at least against fire and allied perils.

The Accounting Officer shall recommend, after consultation with the Chief Financial Officer, the basis of insurance cover to be applied: either the carrying value or the replacement value of the assets. Such a recommendation shall take due cognizance of the budgetary resources of the municipality.

Any theft, loss or damage to an asset should immediately be reported to council's insurance brokers by the relevant head of department under whose responsibility the asset falls. A copy of the insurance claim submitted should be forwarded to the Chief Financial Officer. All insurance claims must be recorded in an insurance register and all outstanding insurance claims reported on a monthly basis to the Chief Financial Officer. It is the responsibility of the relevant head of department to ensure that all documents / information for the completion of the claim is forwarded to council's insurance brokers and that copies thereof is forwarded to the Chief Financial Officer. The head of department should in writing request the replacement of the asset which can only be authorized, if sufficient provision for the replacement of the asset is on the capital budget, by the Municipal Manager after consultation with the Chief Financial Officer. If sufficient provision is not on the capital budget the asset can only be replaced if provision for the replacement is made on an Adjustments budget. In the case where an asset must be replaced as an emergency measure, the Mayor may authorise such expenditure, subject to compliance with Section 29 of the MFMA.

Third-party (insurance) pay-outs must be treated as revenue when the amount is certain and may not be offset against the cost of replacing the item. The carrying value of items lost, stolen or damaged beyond repair must be treated as impairment against the relevant department or vote. The full cost of the replacement item must then be capitalised.

If the municipality operates a self-insurance reserve, the Chief Financial Officer shall annually determine the premiums payable by the departments or votes after having received a list of the assets and insurable values of all relevant assets from the heads of departments concerned.

The municipal manager shall recommend to the council of the municipality, after consulting with the Chief Financial Officer, the basis of the insurance to be applied to each type of asset: either the carrying value or the replacement value of the assets concerned. Such recommendation shall take due cognisance of the

budgetary resources of the municipality.

The Chief Financial Officer shall annually submit a report to the council of the municipality on any reinsurance cover which it is deemed necessary to procure for the municipality's self-insurance reserve.

29. SHORT TITLE

This policy shall be called the Asset Management Policy of the **Witzenberg Municipality.**

APPENDIX A

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS			
	ASSET LIFE		ASSET LIFE
INFRASTRUCTRE ASSETS		**INFRASTRUCTRE ASSETS**	
ELECTRICITY:		**GAS:**	
Power stations	30	Meters	20
Cooling towers	30	Main supply	20
Transformer kiosks	30	Storage tanks	20
Meters	20	Supply and reticulation networks	20
Load control equipment	20		
Switchgear	20	**SEWERAGE:**	
Supply and reticulation networks	20	Sewer mains	20
Main supply	20	Outflow sewers	20
		Sewerage purification works	20
ROADS:		Sewerage pumps	15
Motorways	15	Sludge machines	15
Other roads	10		
Traffic islands	10	**PEDESTRAIN MALLS:**	
Traffic lights	20	Footways	20
Street lights	25	Kerbing	20
Overhead bridges	30	Paving	20
Storm water drains	20		
Bridges, subways and culverts	30	AIRPORTS:	20
Car parks	20	Taxiways	20
Bus terminals	20	Runways	20
		Aprons	20
		Airport and radio beacons	20
WATER		**SECURITY**	
Meters	15	Fencing	3
Mains	20	Security systems	5
Rights	20	Access control systems	5
Supply and reticulation networks	20		
Reservoirs and storage tanks	20		
COMMUNITY ASSETS		**COMMUNITY ASSETS**	
RECREATIONAL FACILITIES		**BUILDINGS**	
Bowling greens	20	Ambulance stations	30
Tennis courts	20	Aquariums	30
Swimming pools	20	Beach developments	30
Golf courses	20	Care centres'	30
Jukskei pitches	20	Cemeteries	30
Outdoor sport facilities	20	Civic theatres and community centres'	30
Organ	20	Clinics and hospitals	30
Lakes and dams	20	Game reserves and rest camps	30
Fountains	20	Stadiums and indoor sports	30
Flood lights	20	Museums and galleries	30
		Parks and public conveniences	30
		Recreational centres' and zoo	30
OTHER ASSETS		**OTHER ASSETS**	

SCHEDULE OF EXPECTED USEFUL LIVES OF ASSETS			
	ASSET LIFE		ASSET LIFE
BUILDINGS		**EMERGENCY EQUIPMENT**	
Abattoirs	30	Other fire fighting equipment	15
Asphalt plant	30	Ambulances	5-10
Cable stations	30	Fire hoses	5
Caravan Parks	30	Emergency lights	5
Bioscope	30		
Compacting stations	30	MOTOR VEHICLES	
Hostels for public / tourists	30	Fire engines	20
Hostels for employees	30	Buses	15
Housing schemes	30	Motor vehicles	5-7
Kilns	30	Motorcycles	3
Laboratories	30	Trucks and light delivery vehicles	5-7
Markets	30		
Nurseries	30	**AIRCRAFT**	15
Office buildings	30		
Old age homes	30	**WATERCRAFT**	15
Quarries	30		
Tip sites	30	**PLANT AND EQUIPMENT**	
Training centres	30	Graders	10-15
Transport facilities	30	Tractors	10-15
Workshops and depots	30	Mechanical horses	10-15
		Farm equipment	5
OFFICE EQUIPMENT		Lawn mowers	2
Computer hardware	5	Compressors	5
Computer software	3-5	Laboratory equipment	5
Office machines	3-5	Radio equipment	5
Air conditioners	5-7	Firearms	5
FURNITURE AND FITTINGS		General	5
Chairs	7-10	Cable cars	15
Tables and desks	7-10	Irrigation systems	15
Cabinets and cupboards	7-10	Cremators	15
Sundry	7-10	Lathes	15
		Machining equipment	15
BINS AND CONTAINERS		Conveyors	15
Household refuse bins	5	Feeders	15
Bulk refuse containers	10	Tippers	15
		Pulverising mills	15

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

FUNDING AND RESERVES POLICY

Date of implementation: 01 July 2010

Adopted by Council 15/06/2010

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Version: Final

Date: 15 June 2010

Summary: This document describes the Funding and Reserves Policy that will be applicable to the municipality, detailed.

Approved: This policy was approved by the Municipal Council on 15 June 2010.

Signature: _____ **Date**: _____

Municipal Manager

FUNDING AND RESERVE POLICY

1. INTRODUCTION AND OBJECTIVE

The Council sets as objective a long term financially sustainable municipality with acceptable levels of service delivery to the community.

This policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

2. SECTION A: FUNDING POLICY

2.1 LEGISLATIVE REQUIREMENTS

In terms of Sections 18 and 19 of the Municipal Finance Management Act (Act No 56 of 2003) (MFMA), an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years' surpluses not committed for other purposes. and
- Borrowed funds, but only for capital projects.

Furthermore, spending on a capital project may only be commenced once the funding sources have been considered, are available and have not been committed for other purposes.

The requirements of the MFMA are therefore clear in that the budget must be cash – funded i.e. cash receipts inclusive of prior cash surpluses must equal or be more than cash paid.

In determining whether the budget is actually cash funded and in addition ensuring long term financial sustainability, the municipality will use analytical processes, including those specified by National Treasury from time to time.

2.2 STANDARD OF CARE

Each functionary in the budgeting and accounting process must do so with judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise to the management of his or her own finances with the primary objective of ensuring that the objectives of this policy are achieved.

2.3 STATEMENT OF INTENT

The municipality will not pass a budget which is not cash – funded or where any of the indicators as listed in this document are negative, unless acceptable reasons can be provided for non-compliance, provided that the requirements of the MFMA must at all times be adhered to.

2.4 CASH MANAGEMENT

Cash must be managed in terms of the municipality's Cash Management and Investment Policy.

2.5 DEBT MANAGEMENT

Debt must be managed in terms of the municipality's Debt Management Policy, together with any requirements in this policy.

2.6 FUNDING THE OPERATING BUDGET

2.6.1 INTRODUCTION

The municipality's objective is that the user of municipal resources must pay for such usage in the period it occurs.

The municipality however, recognises the plight of the poor, and in line with national and provincial objectives, the municipality commits itself to subsidised services to the poor. This will necessitate cross subsidisation in tariffs to be calculated in the budget process.

2.6.2 GENERAL PRINCIPLE WHEN COMPILING THE OPERATING BUDGET

The following specific principles apply when compiling the budget:

a) The budget must be cash – funded, i.e. revenue and expenditure projections must be realistic and the provision for impairment of receivables must be calculated on proven recovery rates;

b) Growth parameters must be realistic and be based on historic patterns adjusted for current reliable information;

c) Tariff adjustments must be fair, taking into consideration general inflation indicators as well as the geographic region's ability to pay;

d) Revenue from Government Grants and Subsides must be in accordance with the amounts promulgated in the Division of Revenue Act, proven

provincial transfers and any possible transfers to or from other municipalities.

For the purpose of the Cash flow budget any National or Provincial grants that have been re-appropriated for roll–over purposes must be excluded from the calculation as it must be included in changes in Cash and Cash Equivalents and Payables.

Furthermore, in the budget the total grants recognised as revenue must equal the total expected expenditure from grants, inclusive of capital expenditure and VAT as per directive given in MFMA circular 48.

e) Projected revenue from services charges must be reflected as net (all billing less revenue foregone, which is free basic services, discounts and rebates).

f) Projected revenue from property rates must include all rates to be levied, but rebates and discounts must be budgeted for as either revenue foregone or a grant, as per directive in MFMA Budget Circular 51, depending on the conditions of the exemption, rebate or reduction.

For the purpose of the Cash flow Budget all rebates and discounts must be deducted from the projected revenue.

g) Only changes in fair values related to cash may be included in the cash flow budget. Changes to unamortised discount must be included in the Operating Budget but excluded in the cash flow budget.

h) Employee related costs include contributions to non-current and current employee benefits. It is acknowledged that the non-current benefits' requirements are well above the initial cash capabilities of the municipality, and it is therefore determined that provision for the short term portion of employee benefits, as well as an operating surplus calculated at 5% of the prior year balance of the long–term benefits, be included in the operating budget, in order to build sufficient cash for these requirements. The cash portion of the employee benefits must be accounted for in an "Employee Benefits Reserve".

i) Depreciation must be fully budgeted for in the operating budget.

In order to ensure a sufficient accumulation of cash for the replacement of Property, Plant and Equipment and Intangible Assets, the amount of depreciation on assets funded from own sources, excluding assets funded from grants, public contributions and external loans must be reflected as a surplus on the cash flow budget.

j) Contributions to provisions (non-current and current) do not form part of the cash flow. It is however, necessary to provide for an increase in cash resources in order to comply with the conditions of the provision at the time when it is needed.

It is therefore a requirement that the contribution to current provisions, as well as 20% of the prior year balance of the non current provision, is budgeted as cash surpluses until the necessary funding level is obtained.

2.7 FUNDING THE CAPITAL BUDGET

2.7.1 INTRODUCTION

The municipality's objective is to maintain, through proper maintenance and replacement measures, existing levels of service and to improve and implement services which are neglected or non – existent.

In order to achieve this objective the municipality must annually, within financial means, budget for the replacement of redundant assets as well as new assets.

2.7.2 FUNDING SOURCES FOR CAPITAL EXPENDITURE

The capital budget can be funded by way of own contributions, grants, public contributions as well as external loans.

Own Contributions

The capital budget financed from own contributions must primarily be funded from the Capital Replacement Reserve.

Notwithstanding the above the capital budget or portions thereof may also be funded from surplus cash. The allocations of the funding sources from own contributions are determined during the budget process.

Contributions to the Capital Replacement Reserve (CRR)

All proceeds from the sale of redundant property plant and equipment, and the VAT portion of capital grants that represents own income must be transferred to the CRR.

Funds must be transferred to the CRR in the budget process to ensure that sufficient funds are available in the reserve to finance the capital expenditure from own contributions.

Grants (Including Public Contributions)

Grants for capital expenditure have become a common practice, especially in order to extend service delivery to previously disadvantaged areas. While such grants are welcomed, care should also be taken that unusual grant funding does not place an unreasonable burden on the residents for future maintenance costs which may be higher than their ability to pay.

It is therefore determined that the accounting officer must evaluate the long term effect of unusual capital grants on future tariffs, and if deemed necessary, report on such to Council.

It is furthermore determined that the depreciation charges on assets financed from grants and donations must not have a negative effect on tariffs charged to the users of such assets. The Accounting Officer must put such accounting measures in place to comply with this requirement, to a reasonable extent.

External Loans

The municipality may only raise loans in accordance with its Debt Management Policy.

The Accounting Officer must also put such accounting measures in place to ensure that no unspent portions of loans are utilised for operating purposes.

For budgeting purposes any difference between proposed capital spending from loans and proposed loans raised must be included in the cash surplus for the year.

2.8 FUNDING COMPLIANCE MEASUREMENT

2.8.1 INTRODUCTION

The municipality wants to ensure that the budget or adjustments budget complies with the requirements of the MFMA and this policy. For this purpose a set of indicators must be used as part of the budget process and be submitted with the budget. These indicators include all the indicators as recommended by National Treasury as well as reconciliations according to this policy. Any additional indicators recommended by National Treasury in future must also be taken into account, as well as any additional reconciliation items as either determined by the Council or the Accounting Officer.

If any of the indicators are negative during the compilation or approval process of the budget, the budget may not be approved until all the indicators provide a positive return, unless any negative indicators can be reasonably explained and

future budget projections address the turn-around of these indicators to within acceptable levels.

2.8.2 CASH AND CASH EQUIVALENTS AND INVESTMENTS

A positive Cash and Cash Equivalents position throughout the year is crucial. In addition, the forecasted cash position at year-end must at least be the amount as calculated in the Reconciliation of Cash Requirements as determined by this policy and attached to this policy as Appendix "A".

2.8.3 CASH PLUS INVESTMENTS LESS APPLICATION OF FUNDS

The overall cash position of the municipality must be sufficient to include:

- unspent conditional grants;
- unspent conditional public contributions;
- unspent borrowings;
- vat due to SARS;
- secured investments;
- the cash portion of statutory funds such as the Housing Development Fund;
- other working capital requirements; and
- In addition, it must be sufficient to back reserves as approved by the municipality and the portions of provisions as indicated below:
    - Current portion of Rehabilitation of landfill sites
    - Current portion of Post-retirement benefits
    - Current portion of Long service provisions
    - Current portion of Ex-gratia pension provisions
    - 20% of staff leave
    - 100% of performance bonuses
    - 100% of staff bonuses
    - 100% of any other employee benefits

2.8.4 MONTHLY AVERAGE PAYMENT COVERED BY CASH AND CASH EQUIVALENTS ("CASH COVERAGE")

This indicator shows the level of risk should the municipality experience financial stress.

2.8.5 SURPLUS/DEFICIT EXCLUDING DEPRECIATION OFFSETS

It is almost certain that the operating budget, which includes depreciation charges on assets funded by grants and public contributions, as well as on revalued assets, will result in a deficit.

As determined elsewhere in this policy it is not the intention that the users of the assets funded from grants, public contributions and revaluations must be burdened with tariff increases to provide for such depreciation charges. In order to ensure a "balanced" budget but excluding such depreciation charges, the depreciation charges may be offset against the net surplus / deficit.

Should the budget result in a deficit after the offsetting, the budget will be deemed unfunded and must be revised.

2.8.6 PROPERTY RATES/SERVICE CHARGE REVENUE PERCENTAGE INCREASE LESS MACRO INFLATION TARGET

The intention of this indicator is to ensure that tariff increases are in line with macro economic targets, but also to ensure that revenue increases for the expected growth in the geographic area is realistically calculated.

The formula to be used is as follows:

	DESCRIPTION	PROPERTY RATES	SERVICE CHARGES	TOTAL
A	Revenue of budget year	R XX	R XX	R XX
B	Less: Revenue of prior year	R XX	R XX	R XX
C	**=Revenue increase/decrease**	**R XX**	**R XX**	**R XX**
D	% Increase/(Decrease)	C/B %	C/B %	C/B %
E	Less: Upper limit of macro Inflation target	%	%	%
F	**=Growth in excess of inflation target**	**%**	**%**	**%**
G	Less: Expected growth %	%	%	%
H	**=Increase attributed to tariff Increase above macro inflation target**	**%**	**%**	**%**

In the event that the percentage in (h) above is greater than zero, a proper motivation must accompany the budget at submission, or the budget must be revised.

2.8.7 CASH COLLECTION % RATE

The object of the indicator is to establish whether the projected cash to be collected is realistic and complies with section 18 of the MFMA.

The collection rate for calculating the provision for impairment of receivables must be based on past and present experience. Past experience refers to the collection rates of the prior years and present experience refers to the collection rate of the current financial year as from 1 July.

It is not permissible to project a collection rate higher than the rate currently being obtained, even if the municipality recently approved a debt collection policy or implemented additional debt collection measures. Any improvement in collection rates during the budget year may be appropriated in an Adjustment Budget.

2.8.8 DEBT IMPAIRMENT EXPENSE AS A PERCENTAGE OF BILLABLE REVENUE

This indicator provides information whether the contribution to the provision for impairment of receivables is adequate. In theory it should be equal to the difference between 100% and the cash collection rate, but other factors such as past performance might have an influence on it. Any difference, however, must be motivated in the budget report.

2.8.9 CAPITAL PAYMENTS AS A PERCENTAGE OF CAPITAL EXPENDITURE

This indicator provides information as to the timing for payments on capital projects and utilising allowed payment terms.

2.8.10 BORROWING AS A PERCENTAGE OF CAPITAL EXPENDITURE (EXCLUDING GRANTS AND CONTRIBUTIONS)

This indicator provides information as to compliance with the MFMA in determining borrowing needs. The Accounting Officer must ensure compliance with the Municipality's Debt Management Policy.

2.8.11 GRANTS REVENUE AS A PERCENTAGE OF GRANTS AVAILABLE

The percentage should never be less than 100% and the recognition of expected unspent grants at the current year-end as revenue in the next financial year must be substantiated in a report.

2.8.12 CONSUMER DEBTORS CHANGE (CURRENT AND NON - CURRENT)

The object of the indicator is to determine whether budgeted reductions in outstanding debtors are realistic.

An unacceptable high increase in either current– or non– current debtors' balances should be investigated and acted upon.

2.8.13 REPAIRS AND MAINTENANCE EXPENDITURE LEVEL

It is of utmost importance that the municipality's Property Plant and Equipment be maintained properly, in order to ensure sustainable service delivery. The budget should allocate sufficient resources to maintain assets and care should be exercised not to allow a declining maintenance program in order to fund other less important expenditure requirements.

Similarly, if the maintenance requirements become excessive, it could indicate that a capital renewal strategy should be implemented or reviewed.

As a general benchmark the maintenance budget should be between 4% and 8% of the value of assets.

2.8.14 ASSET RENEWAL/REHABILITATION EXPENDITURE LEVEL

This indicator supports further the indicator for repairs and maintenance.

The Accounting Officer must, as part of the capital budget, indicate whether each project is a new asset or a replacement/renewal asset in order to determine whether the renewal program is sufficient or needs revision.

2.8.15 FINANCIAL PERFORMANCE BUDGET

Although it is not a legal requirement that the financial performance budget should balance, it only makes management sense that it should balance.

A number of line–items influence the net result of the financial performance budget. It includes capital grant revenue, depreciation charges including those where assets were funded from grants and public contributions, unamortised discounts and gains/losses on the disposal of Property Plant and Equipment. These items need to be taken into consideration in order to establish if the operating budget is realistic and credible.

2.8.16 FINANCIAL POSITION BUDGET

This indicator provides an overall view of the projected financial position over the periods of the Medium Term Expenditure framework, including movements in inventory and payables.

2.8.17 CASH FLOW BUDGET

A positive cash flow is a good indicator of a balanced budget, as well as the ability of the municipality to meet its future commitments.

The cash flow budget, however, does not include those items such as contributions to the provisions described elsewhere in this policy, the effect of depreciation charges etc, and care must be taken not to let a projected positive cash inflow lead to additional expenditure requests, without taking the requirements of those items into consideration.

3. SECTION B: RESERVES POLICY

3.1 INTRODUCTION

Fund accounting historically formed a huge part of municipal finance in the IMFO standards.

Since the municipality changed to General Recognised Accounting Practices (GRAP), fund accounting is no more allowed.

The municipality, however, recognises the importance of providing to the municipality itself, as well as its creditors, financiers, staff, and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

This policy aims to provide for such measure of protection by creating certain reserves.

3.2 LEGAL REQUIREMENTS

There are no specific legal requirements for the creation of reserves, except for the Housing Development Fund. The GRAP Standards itself also do not provide for reserves.

However, the GRAP “Framework for the Preparation and Presentation of Financial Statements” states in paragraph 91 that such reserves may be created, but “Fund Accounting” is not allowed and any such reserves must be a “legal” reserve, i.e. created by law or Council Resolution.

3.3 TYPES OF RESERVES

Reserves can be classified into two main categories being “cash funded reserves” and “non – cash funded reserves”.

3.3.1 CASH FUNDED RESERVES

In order to provide for sufficient cash resources for future expenditure, the municipality hereby approves the establishment of the following reserves:

(a) Capital Replacement Reserve (CRR)

The CRR is to be utilised for future capital expenditure from own funds and may not be used for maintenance– or other operating expenditure.

The CRR must be cash–backed and the Accounting Officer is hereby delegated to determine the contribution to the CRR during the compilation of the annual financial statements.

(b) **Employee benefits reserve**

The aim of the reserve is to ensure sufficient cash resources are available for the future payment of employee benefits.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(c) **Non-current provisions reserve**

The aim of this reserve is to ensure sufficient cash resources are available for the future payment of non – current provisions.

The contributions to the reserve must be made in accordance with the directives set in this Funding Policy.

(d) **Valuation reserve**

The aim of this reserve is to ensure sufficient cash resources are available to undertake a General Valuation as per the Municipal Property Rates Act.

The contribution to this reserve should be approximately 25% of the anticipated cost of the General Valuation and the Accounting Officer is hereby delegated to determine this amount annually during the compilation of the annual financial statements.

(e) **Other statutory reserves**

It may be necessary to create reserves prescribed by law, such as the Housing Development Fund. The Accounting Officer must create such reserves according to the directives in the relevant laws.

3.3.2 NON – CASH FUNDED RESERVES

It might be necessary to create non – cash funded reserves for a variety of reasons, including GRAP requirements. The Accounting Officer must create any reserves prescribed by the accounting standards, such as the Revaluation Reserve, if required.

The Accounting Officer is hereby delegated and may also in the discretion of the Accounting Officer, create reserves for future depreciation offsetting, in the absence of a standard similar to IAS 20.

3.4 ACCOUNTING FOR RESERVES

3.4.1 REVALUATION RESERVE

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17.

3.4.2 OTHER RESERVES

The accounting for all other reserves must be processed through the Statement of Financial Performance. The required transfer to or from the reserves must be processed in the Statement of Net Assets to or from the accumulated surplus.

It is a condition of GRAP and this policy that no transactions may be directly appropriated against these reserves.

4. SECTION C: REVIEW OF THE POLICY

This Funding and Reserves Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council on an annual basis. Such submission must be accompanied with a full description of the reasons for the change to the policy.

APPENDIX A

RECONCILIATION OF CASH REQUIREMENTS

Cash flow from operating activities	R XX
Add : Depreciation from own funds	R XX
Add : Current provisions balance	R XX
Add : Current employee benefits balance	R XX
Add : Unspent conditional grants	R XX
Add : Unspent public contributions	R XX
Add : Unspent borrowings	R XX
Add : VAT due to SARS	R XX
Add : Secured investments	R XX
Add : Cash portion of Statutory Reserves	R XX
Add : Working Capital Requirements	R XX
= Minimum Cash Surplus Requirements for the year	R XX

WITZENBERG

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BORROWING POLICY

Date of implementation 01 July 2013

BORROWING POLICY

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1. PURPOSE

1.1. To provide the Municipality with a borrowing framework policy.
1.2. Set out the objectives, policies, statutory requirements as well as guidelines for the borrowing of funds.

2. OBJECTIVES

2.1. The objectives of the policy are to:
2.2. enable the municipality to exercise their obligation to ensure sufficient cash resources to implement capital programme in the most cost effective manner;
2.3. ensure compliance with the relevant legal and statutory requirements relating to Municipal borrowing;
2.4. govern the taking up of short-term and long-term debt according to the legislative framework
2.5. manage interest rate and credit risk exposure
2.6. maintain debt with specified limits and ensure adequate provision for the repayment of debt and
2.7. To maintain financial sustainability.

3. SCOPE OF THIS POLICY

3.1. The primary goal in the borrowing of funds is to ensure that the funds are obtained at the lowest possible interest rates at minimum risk, within the parameters of authorized borrowings.
3.2. This policy shall apply the Council, Mayoral Committee, all Portfolio Committees, Accounting Officer, Strategic Executive Directors and all staff of the municipality. It is, however, specifically applicable to the council and all officials who have a formal, administrative duty to deal with capital projects and programmes of the municipality and the management of the budget.

4. BORROWING ETHICS

4.1. In dealing with financial institutions, the following ethical principles must be adhered to:
4.2. The Chief Financial Officer shall not accede to any influence by or interference from councillors, borrowing institutions or any outsiders.
4.3. Under no circumstances may inducements to borrow be accepted.

5. LEGISLATION

5.1. The legislative framework governing borrowings are:
   5.1.1. Local Government Municipal Finance Management Act, Act 56 of 2003; and
   5.1.2. Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007.

6. COMPULSORY DISCLOSURE WHEN INCURRING MUNICIPAL DEBT

6.1. The Municipal Regulations on Debt Disclosure has been promulgated (Government Gazette no. 29966, 15 June 2007) and has been effective from 01 July 2007 for a municipality or municipal entity. Refer to Annexure A2, Municipal Finance Management Act: Municipal Regulations on Debt Disclosure.

6.2. The implementation of the regulations will help to strengthen the level of confidence in municipal fiscal affairs and enable the capital markets to effectively participate by providing access to a range of competitive funding instruments for the provision of municipal infrastructure and other capital development in accordance with section 46 of the Municipal Finance Management Act

6.3. In the case of short-term debt it must be disclosed whether the debt is to bridge:

6.3.1. Shortfalls within a financial year during which the debt is incurred, in expectation or specific and realistic anticipated revenue to be received with that financial year; or

6.3.2. Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocation or long-term debt commitments.

6.4. In the case of long-term debt, whether the purposes of the debt is for:

6.5. Capital expenditure on property, plant or equipment to be used for the purpose of achieving the objectives of local government, subject to section 46(4) of the Act.

6.6. Refinancing of existing long-term debt, subject to section 46(5) of the Act.

7. PROCESS

The process as required by the Act is as follows:

7.1. Short-term debt

7.1.1. A municipality may incur short-term debt only if:

7.1.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and

7.1.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.

7.1.2. A short term debt transaction may be:

7.1.2.1. approve individually; or

7.1.2.2. approve an agreement with a lender for short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that:

7.1.3. the credit limit must be specified in the resolution of the council;

7.1.4. in terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and

7.1.5. if the council approves a credit facility that is limited to emergency use, the accounting officer must notify the council in writing as soon as practical of the

amount, duration and cost of any debt incurred in terms of such a credit facility, as well as options for repaying such debt.

7.1.6. A municipality:

7.1.6.1. Must pay off short-term debt within the financial year; and

7.1.6.2. May not renew or refinance short-term debt, whether its own debt or that of any other entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.

7.1.6.3. No lender may wilfully extend credit to a municipality for the purpose of renewing or refinancing short-term debt that must be paid off in terms of subsection 7.1.6.2

7.1.6.4. If a lender wilfully extends credit to a municipality in contravention of paragraph 7.1.6.3, the municipality is not bound to repay the loan or interest on the loan.

7.1.6.5. Subsection 7.1.6.1 does not apply if the lender:

7.1.6.5.1. Relied in good faith on written representations of the municipality as to the purpose of the borrowing; and

7.1.6.5.2. Did not know and had no reason to believe that the borrowing was for the purpose of renewing or refinancing short-term debt. Long-term debt

7.2. **Long-term debt**

7.2.1. A municipality may incur long-term debt only if:

7.2.1.1. A resolution of the municipal council, signed by the executive mayor, has approved the debt agreement; and

7.2.1.2. The accounting officer has signed the agreement or other document which creates or acknowledges the debt.

7.2.2. A municipality may incur long-term debt only if the accounting officer of the municipality:

7.2.2.1. has, in accordance with section 21A of the Municipal Systems Act:

7.2.2.2. at least twenty one (21) days prior to the meeting the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and

7.2.2.3. invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and

7.2.2.4. has submitted a copy of the information statement to the municipal council at least twenty one (21) days prior to the meeting of the council, together with particulars of:

7.2.2.4.1. the essential repayment terms, including the anticipated debt repayment schedule; and

7.2.2.4.2. The anticipated total cost in connection with such debt over the repayment period.

7.2.3. Capital expenditure contemplated in 5.3(a) may include:

7.2.3.1. Financing costs, including:

7.2.3.1.1. capitalized interest for a reasonable initial period;

7.2.3.1.2. Costs associated with security arrangements in accordance with section 48 of the Act;

7.2.3.1.3. discounts and fees in connection with the financing;

7.2.3.1.4. fees for legal, financial, advisory, trustee, credit rating and other services directly connected to the financing; and

7.2.3.1.5. Costs connected to the sale or placement of debt, and costs for printing and publication directly connected to the financing.

7.2.3.1.6. Costs of professional services directly related to the capital expenditure; and

7.2.3.1.7. Such other costs as may be prescribed.

7.2.4. A municipality may borrow money for the purpose of refinancing existing long-term debt, provided that:

7.2.4.1. the existing long-term debt was lawfully incurred;

7.2.4.2. the refinancing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed

7.2.4.3. the net present value of projected future payments (including principal and interest payments) after refinancing is less than the net present value of projected future payments before refinancing; and

7.2.4.4. the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

7.2.5. A municipality's long-term debt must be consistent with its capital budget referred to in section 17(2) of the Act.

8. CONDITIONS

Witzenberg Municipality may incur debt only if:

8.1. the debt is denominated in rand and is not indexed to, or affected by fluctuations in the value of the rand against any foreign currency; and

8.2. section 48(3) of the Act has been complied with, if security is to be provided by the municipality.

9. SECURITIES

9.1. Witzenberg Municipality may by resolution of its council provide security for:

9.1.1. any of its debt obligations; and

9.1.2. contractual obligations of the municipality undertaken in connection with capital expenditure by the persons on property, plant or equipment to be used by the

municipality or such other person for the purpose of achieving the objectives of local government in terms of section 152 of the Constitution.

9.2. Appropriate security is contemplated in section 48(2) of the Act.

9.3. Other additional conditions to be complied with are contemplated in section 48(3) to (5) of the Act.

10. DISCLOSURE

The Municipality must, when interacting with a prospective Lender or when preparing documentation for consideration by a prospective Investor, disclose all relevant information that may be requested or that may be material to the decision of the prospective Lender or Investor. Reasonable care must be taken to ensure the accuracy of any information disclosed. Whilst this is a standard and acceptable business practice, it is also in compliance with section 49 of the Municipal Finance Management Act.

11. GUARANTEES

11.1. The Municipal Finance Management Act provides that the Municipality may not guarantee any debt of any entity unless the entity is a Municipal entity under its sole ownership control. The debt must be reflected in the approved business plan of the entity. The guarantee must be authorized by the Municipality. This must be done in the same manner and subject to the same conditions applicable to any other borrowings. Neither the National nor Provincial Government may guarantee the debt of any Municipality.

11.2. Witzenberg Municipality may not issue any guarantee for any commitment or debt of any organ of state or person, except on the following condition:

11.3. The guarantee must be within limits specified in the municipality's approved budget.

11.4. Neither the national nor a provincial government may guarantee the debt of a municipality except to the extent that chapter 8 of the Public Finance Management Act provides for such guarantees

12. SUBMISSION OF DOCUMENTS

When entering into discussion with a prospective lender with a view to incur short-term or long-term debt, the following information must be made available to the prospective lender.

12.1. audited financial statements for the preceding three (3) financial years with audited outcomes;

12.2. approved annual budget;

12.3. the municipal integrated development plan;

12.4. Repayment schedules pertaining to existing short-term or long-term debt.

13. NOTIFICATION TO NATIONAL TREASURY

All information prescribed in the act must be provided to National Treasury with respect to a long-term debt proposal.

Information to be provided with respect to a long-term debt proposal

	Details	MFMA
A	A copy of the *information statement* required by section 46(3), containing particulars of the proposed borrowing (debt) instrument.	46(3)(a)(i)
B	If not already incorporated in the *information statement*, the following information should be provided separately (note QBMR = Quarterly Borrowing Monitoring Return to NT, see over page for further information): amount of debt to be raised through borrowing or other means purposes for which the borrowing (debt) is to be incurred interest rate(s) applicable (state whether fixed or variable etc) planned start and end date (term of instrument) detailed repayment schedule for the duration of the borrowing (debt) (showing dates and all payments of principal and interest, etc) total estimated cost of the borrowing (debt) over the repayment period type of instrument (select from QBMR) security to be provided (select from QBMR) and provide details source of loan funds (select from QBMR)	46(3)(b)(i) and (ii)
C	A schedule of consultation undertaken, including: date(s) when the *information statement* was made public details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing (debt)	46(3)(a)(i), (ii)
D	A copy of the approved budget, and relevant documentation supporting the budget, highlighting the asset(s) to be funded by the proposed borrowing (debt) and the revenue to be received. It must be demonstrated that the proposed borrowing (debt) is consistent with the IDP, the capital budget and the revenue is shown accordingly.	46(6) 17(2) 19
E	If the borrowing (debt) is for the purpose of refinancing existing long-term borrowing (debt), the following information: description of the asset(s) for which the original loan was required the useful remaining life of the asset(s) the net present value of the asset(s), including the discount rate used	46(5)

	and any assumptions in the calculations the net present value of projected future payments before refinancing, including the discount rate and assumptions used. the net present value of projected future payments after refinancing, including the discount rate and assumptions used.	
F	What source of funding will be used to repay the loan? Please specify the revenue stream(s) and whether this is existing revenue, or new revenue.	19(1)(d)
G	Schedule of all long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of all loans and any associated investments set up as sinking funds etc.	
H	A copy of the council/board of directors' resolution approving the borrowing (debt) instrument should be forwarded once approved.	

14. FINANCIAL AFFAIRS OF THE MUNICIPALITY

14.1. The following information concerning the financial situation and financial management of the municipality must be disclosed:

14.1.1. schedule of all long-term debt obligations stating principal and interest payments for the life of all loans and any security provided to secure such debt;

14.1.2. the amount of any short-term debt outstanding;

14.1.3. the revenue of the municipality for the preceding three (3) financial years stated separately:

14.1.4. Government grants and public donations;

14.1.5. Revenue from rates and service charges and other revenue sources

14.1.6. what source of funding will be used to repay the loan;

14.1.7. details of any default by the municipality on outstanding or repaid debt during the preceding three (3) years;

14.1.8. the reserves of the municipality;

14.1.9. a summary of financial policies and practices; and

14.1.10. The latest credit rating obtained.

15. INTEREST RATE RISK

15.1. As a general principle when interest rates are expected to decrease, it is advisable that a floating rate be negotiated in order to take advantage of the lower interest rates in future. If interest rates are expected to increase, it is advisable to obtain a fixed rate so that the benefits of the current low interest rate are maintained.

15.2. The interest risk must be limited in so far as possible. The policy directive is to negotiate fixed interest rates for all long-term borrowings. This will ensure stability

of the repayments and reduce the risk for high rates and tariff increases as a result of interest rate hikes in the market.

15.3. Variable rates should be considered for short-term debt only.

16. LIMITATIONS

To ensure a financial viable municipality the following ratios are used to determine the municipal gearing ability to borrow:

16.1. Long-term credit rating of BBB;

16.2. Interest cost to total expenditure to not exceed 8%;

16.3. Long-term debt to revenue (excluding grants) not be exceed 50%;

16.4. Payment rate mature above 95%; and

16.5. Percentage of capital charges to operating expenditure less than 18%.

17. PROHIBITED BORROWING PRACTICES

Witzenberg Municipality shall not borrow for investment purposes, with the sole purpose of investing to earn a return. The cost of debt is almost always more expensive than the return that the Municipality can derive by investing in permitted investments. Foreign Borrowing is permitted in terms of section 47 of the Municipal Finance Management Act, whereby the debt must be denominated in Rand and is not indexed to, or affected by, fluctuations in the value of the Rand against any foreign currency.

18. IMPLEMENTATION AND REVIEW

18.1. The Accounting Officer shall be responsible for the implementation and administration of this policy with the assistance of the Strategic Executive Director for Financial Services Department once approved by Council. All future borrowings must be considered in accordance with this policy read with MFMA and Local Government Municipal Regulations and Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007 and other directives and guidelines issued by National Treasury.

18.2. In terms of section 17(1) (e) of the Municipal Finance Management Act, 2003 this policy shall be reviewed on annual basis to ensure that it complies with changes in applicable legislation and regulation and the reviewed policy tabled to Council for approval as part of the budget process .

18.3. This policy must be read together with the Budget and Funding and Reserves Policies; Local Government Municipal Finance Management Act, Act 56 of 2003; and Local Government Municipal Budget and Reporting Regulation, Regulation 393, published under Government Gazette 32141, 17 April 2009.

WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase

CELLULAR TELEPHONE AND DATA CARD POLICY

Date of implementation 01 July 2013

CELLULAR TELEPHONE AND DATA CARD POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

- Management of cellular telephones
- Acquisition of cellular telephones
- Acquisition of data cards
- Management of data cards

2. General

2.1 It is recognised that cellular telephones are useful communications tools is in many cases essential for Municipal officials to carry out their duties. To this end this policy shall regulate the provision of a cellular telephone and/or data cards for officials in the Witzenberg Municipality.

2.2 All applications for cellular telephones and/or data cards shall require the approval of the Municipal Manager.

2.3 In considering the granting of a cellular phone and/or data card, the Municipal Manager shall take into account all of the following:-

2.3.1 Operational responsibility of the applicant.
2.3.2 Availability of funds.
2.3.3 Time spent outside of the office by the official.
2.3.4 The need for constant and immediate contact of the official.
2.3.5 Improvement in efficiency of the official.
2.3.6 Need for immediate contact with councillors and the public.
2.3.7 Safety of officials.

3 General Controls

3.1 An annual review shall be carried out by the Municipal Manager to determine the continued need for all cellular telephones and/or data cards.

3.2 If it is determined that an official no longer qualify for a cellular telephone and/or data card, he/she must be advised in writing of the decision with at least a two months' notice period.

4 Limit of allowances

4.1 The allowable all inclusive expenditure for cellular telephones and/or data cards will be limited to the following maximum monthly amounts excluding VAT.

Positions[1]	Contract by municipality	Allowance to employee
Municipal Manager	1 500	2 000
Directors	1 200	1 600
Deputy Director	900	1 200
Managers	600	800
Middle Managers	400	500
Other Approved Employee's	200	300

[1] Amended by Council 25/10/2017

All data Cards	200	300
Tablets	400	500

4.2 The municipal manager can in exceptional cases and on justifiable grounds on written application by a person whose cell phone expenditure is above the maximum monthly limit set above, determine in writing a higher limit for that specific month.

4.3 Any account in excess of the allowable maximum amounts as stated in paragraph 4.1 or the higher limit in paragraph 4.2 above, will be deducted from the relevant employee's salary as soon as possible.

4.4 Where no written determination by the municipal manager in terms of paragraph 4.2 is received on or before the 10th of the month, any account in excess of the allowable maximum amounts as stated in paragraph 4.1 will be deducted from the relevant employee's salary as soon as possible.

4.5 Before any cellular telephone and/or data card is handed over to an employee he or she must sign the relevant authority that any excess can be deducted from his or her salary.

4.6 The municipal manager can adjust these amounts annually subject to budgetary provisions.

4.7 All employees that qualify for the cellular phone and data card allowance will receive the allowance and not a municipal funded cellular phone or data card. All employees' receiving this allowance must ensure that the item for which the allowance is received is in working condition and has the necessary airtime/data to perform their functions.

4.8 The local government regulations on appointment and conditions of employment of senior managers in terms of the Local Government: Municipal Systems Act, 2000 (act no. 32 of 2000) section 40 determines that a senior manager is entitled to compensation for the use of a mobile telephone and data card for official purposes in accordance with the relevant policy of the municipality.[2]

5 Additional charges

5.1 All additional charges including but not limited to the following will be for the account of the user:

Content charges
Subscriptions
Cellular phone data charges

6 Cellular telephones and Data Card Allowance

6.1 The municipal manager may approve that a monthly allowance not exceeding the limits as per paragraph 4.1 be paid to employees that qualify for the use of cellular telephones or data cards.

6.2 Employees that elect the allowance option must provide a cellular phone and/or data card to be used for official business and may not use municipal cellular telephones and/or data cards.

6.3 Proof that the cellular phone and/or data card is available for official use must be provided on request. If the required proof cannot be provided the allowance will be stopped with immediate effect.

[2] Recommended for inclusion in policy

6.4 The municipality will only pay the allowance to the user; all cost in excess of the allowance will be for the account of the user.

6.5 The allowance will be paid together with the employees' monthly salary.

6.6 The recipient of the allowance will be responsible for the payment of income tax on the allowance, which will be deducted from the employee's salary.

7 Management and Control Of Cellular telephones and Data Card Needs

7.1 A register of all cellular telephones and data cards and service agreements must be maintained by the Administration department.

7.2 All cellular telephones and data cards will be obtained on a rental agreement.

7.3 The agreement for a cellular phone must be conducted in the Municipalities name.

7.4 The agreement for a data card must be conducted in the Municipalities name.

7.5 No cellular telephones or data cards will be upgraded for improved models before the contract has expired, unless indicated to the contrary by the service provider or on recommendation by the relevant director or head of department.

7.6 After lapse of the agreement, the cellular phone or data card becomes the property of the employee.

7.7 If the relevant employee leaves the employment of the municipality before the agreement lapse, the cellular phone and/or data cards with the relevant SIM cards must be handed in at the administration department who must ensure that it is in working condition and that it is the correct SIM cards.

7.8 The cellular phone number is the property of the Witzenberg municipality and cannot be transferred to employees.

8 Insurance

8.1 All reasonable care must be taken to protect the equipment from damage, destruction or loss and any proof of negligence shall be dealt with within the context of Council's disciplinary code.

8.2 The Excess payment on insurance claims will be for the account of the user of the cellular phone or data card.

9 ICT policies

9.1 Users of data cards acknowledge that all other ICT policies adopted by Witzenberg Municipality are applicable on the usage of the data cards.

10 Promotional Items and or Gift Vouchers

10.1 Any promotional items and or gift vouchers received with a cellular phone and or data contract will be the property of the municipality and not of the employee.

10.2 The only exception to the above is tablets that can be used by the employee for official purposes for the duration of the rental agreement, where after it will become the property of the employee.

11 Procurement

11.1 The administration of the procurement process will be done by the Administration section.

11.2 The procurement of cellular telephones and data cards will be done by the Supply Chain Unit.

SUPPLY CHAIN MANAGEMENT POLICY

Reviewed by Council 30/05/2017
Reviewed by Council 18/05/2016
Reviewed by Council 28/05/2015
Reviewed by Council 27/05/2014
Adopted by Council 29/05/2013

SUPPLY CHAIN MANAGEMENT POLICY

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003

Proposed date for adoption: 1 April (PP regulations 2017) /July 2017

Council resolves in terms of section 111 of the Local Government Municipal Finance Management Act (No. 56 of 2003), to adopt the following proposal as the Supply Chain Management Policy of the municipality**.**

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Annexure A

Annexure B

1. **Definition -** In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and –

"Accounting officer" – means the municipal official referred to in section 60 of the Act

"B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act.

"B-BBEE Status Level of Contributor" means the B-BBEE status of an entity in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. [1]

"Bid" means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding processes or proposals.

"Bidder" means any person submitting a competitive bid or a quotation.

"Black designated groups" has the meaning assigned to it in the codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. [2]

"Black people" has the meaning assigned to it in section 1 of the Broad-Based Black Economic Empowerment Act. [3]

"Broad-Based Black Economic Empowerment Act" means the Broad-Based Black Economic Empowerment Act, 53 of 2003 and Codes of Good Practice pertaining thereto.

"Chief Financial Officer or CFO" means a person designated in terms of section 80(2) (a) of the Act.

"CIDBA regulations" means any regulations issued in terms of the Construction Industry Development Board Act, 2000 (Act No. 38 of 2000);

"Class deviation" means a deviation from the normal procurement process for goods

[1] Amended by council 30 May 2017
[2] Amended by council 30 May 2017
[3] Amended by council 30 May 2017

and services anticipated to be procured more than once in a financial year but exclude procurement made in an emergency situation.

"Community Based Vendor" means a supplier of goods, services and/or construction works who resides in the Witzenberg municipal area or has its principal business activities in the Witzenberg municipal area, who meets the criteria for community based vendor as determined by the Municipal Council from time to time, and who is registered as such on the municipality's supplier database.

"Competitive bidding process" means a competitive bidding process referred to in paragraph 21 of this Policy;[4]

"Competitive bid" means a bid in terms of a competitive bidding process;

"Consultant/ consulting engineer" means a person or entity providing advisory services to the municipality which amongst others include consulting firms, management firms, procurement agents, inspection agents, auditors, other multinational organisations, investment and merchant banks, universities, research agencies, government agencies, non-governmental organisations (NGOs) and individuals.

"Contract" means the agreement which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier.

"Contract manager" refers to an internal official assigned to ensure the effective administration of the contract

"Day(s)" means calendar days unless the context indicates otherwise.

"Designated sector" means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content.

"**Disposal"** in relation to capital assets means –

(a) The demolition, dismantling or destruction of the capital asset; or

(b) Any other process applied to a capital asset which results in loss of ownership of the capital asset otherwise than by way of transfer of ownership;

[4] Amended by council 30 May 2017

"Exempted Micro Enterprise" means an exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act. [5]

"Final award", in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote was accepted;

"Formal written price quotation" means a written or electronic offer to the municipality in response to an invitation to submit a quotation as referred to in paragraph 19 of this Policy;

"Green procurement" means the procurement of environmentally friendly products and services;[6]

"Head of Department" means a Senior Manager as defined in the Municipal Finance Management Act, 2003 (Act no.56 of 2003) and who is responsible for a vote as assigned by the Accounting Officer;

"Individual deviation" means a deviation from the normal procurement process as set out in this policy that affect only one contract / procurement award made in circumstances where it is impractical to follow the normal procurement process and in an emergency situation.

"In the service of the state" means to be –

(a) A member of –
   (i) Any municipal council;
   (ii) Any provincial legislature; or
   (iii) The National Assembly or the National Council of Provinces;

(b) A member of the board of directors of any municipal entity;

(c) An official of any municipality or municipal entity;

(d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Municipal Finance Management Act, 2003 (Act No.56 of 2003); and Public Finance Management Act, 1999 (Act No. 1 of 1999)

(e) A member of the accounting authority of any national or provincial public entity; or

(f) An employee of Parliament or a provincial legislature;

[5] Amended by council 30 May 2017
[6] Amended by council 30 May 2017

"Joint Venture or Consortium" means an association of persons formed for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract or contracts. The Joint Venture must be formalised by agreement between the parties.

"Line manager" means a manager reporting directly to a senior manager and who is responsible for a cost centre as assigned by the relevant senior manager;

"Long term contract" means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long term nature referred to in paragraph 24(1)(e) of this policy;[7]

"Long term nature contract" means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget; [8]

"List of accredited prospective providers" means the list of accredited prospective providers which the municipality must keep in terms of paragraph 16 of this policy;[9]

"Municipality" means Witzenberg Municipality or any person(s) or committee delegated with the authority to act on its behalf.

"Other applicable legislation" means any other legislation applicable to municipal supply chain management, including –

(a) the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000), as amended;

(b) The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended;

(c) The Construction Industry Development Board Act, 2000 (Act No.38 of 2000), as amended; and

(d) The Preferential Procurement Regulations of 2017, as amended[10]

(e) The Local Government: Municipal Systems Act;[11]

[7] Amended by council 30 May 2017
[8] Amended by council 30 May 2017
[9] Amended by council 30 May 2017
[10] Amended by council 30 May 2017
[11] Amended by council 30 May 2017

(f) The Competition Act; and[12]

(g) The Promotion of Administrative Justice Act.[13]

"Policy" means this Supply Chain Management Policy as amended from time to time by Council

"Targeted Labour" means those individuals employed by a contractor, or sub-contractor, in the performance of a contract, who are defined in the contract as the target group, and who permanently reside in the municipal area.

"Tender' referred to in the Preferential Procurement Regulations 2017, has the same meaning as "bid" as defined in this policy[14]

"Treasury guidelines" means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

"The Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"The Regulations" means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

"Written quotations" means quotations referred to in paragraph 18 of this Policy.[15]

[12] Amended by council 30 May 2017
[13] Amended by council 30 May 2017
[14] Amended by council 30 May 2017
[15] Amended by council 30 May 2017

2. Policy statement and objectives

Section 111 of the Municipal Finance Management Act requires each municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act.

In addition, the Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed.

The objectives of this Policy are:

- to give effect to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective;
- to comply with all applicable provisions of the Municipal Finance Management Act including the Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA; regulations pertaining thereto, including:
  - the Preferential Procurement Policy Framework Act;
  - the Broad-Based Black Economic Empowerment Act;
  - the Construction Industry Development Board Act;
  - the Local Government: Municipal Systems Act; and
  - the Promotion of Administrative Justice Act.
  - the Competition Act.[16]

[16] Amended by council 30 May 2017

CHAPTER 1
IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

3. Supply chain management policy

(1) All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –

(a) Gives effect to –

(i) Section 217 of the Constitution; and

(ii) Part 1 of Chapter 11 and other applicable provisions of the Act;

(b) is fair, equitable, transparent, competitive and cost effective;

(c) Complies with –

(i) The Regulations; and

(ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act;

(d) is consistent with other applicable legislation;

(e) does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and

(f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

(2) This Policy applies when the municipality –

(a) Procures goods or services;

(b) Disposes of goods no longer needed;

(c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; and

(d) Selects external mechanisms referred to in section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

(e) the procurement of goods and services under a contract secured by that other organ of state, provided that the relevant supplier has agreed to such procurement.

(3) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –

(a) Water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and

(b) Electricity from Eskom or another public entity, another municipality or a municipal entity.

4. Amendment of the supply chain management policy

(1) The accounting officer must –

(a) at least annually review the implementation of this Policy; and

(b) When the accounting officer considers it necessary, submit proposals for the amendment of this Policy to the Council.

(2) If the accounting officer submits proposed amendments to the Council that differs from the model policy issued by the National Treasury, the accounting officer must –

(a) Ensure that such proposed amendments comply with the Regulations; and

(b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.

(3) When amending this supply chain management policy the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

5. Delegation of supply chain management powers and duties

(1) The council hereby delegates all powers and duties to the accounting officer which are necessary to enable the accounting officer –

(a) To discharge the supply chain management responsibilities conferred on accounting officers in terms of –

(i) Chapter 8 or 10 of the Act; and

(ii) This Policy;

(b) to maximize administrative and operational efficiency in the implementation of this Policy;

(c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

(d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.

(2) Sections 79 and 106 of the Act apply to the sub delegation of powers and duties delegated to an accounting officer in terms of subparagraph (1).

(3) The accounting officer may not sub delegate any supply chain management powers or duties to a person who is not an official of the municipality or to a committee which is not exclusively composed of officials of the municipality;

(4) This paragraph may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 35-37 of this Policy.

6. Sub delegations

(1) The accounting officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties, including those delegated to the accounting officer in terms of this Policy, but any such sub delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.

(2) The power to make a final award –

(a) Above R 10 million (VAT included) may not be sub delegated by the accounting officer;

(b) Above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub delegated but only to –

(i) The chief financial officer;

(ii) A bid adjudication committee of which the Chief Financial Officer is a member / Chairperson;

(c) Not exceeding R2 million (VAT included) may be sub delegated but only to –

(i) The chief financial officer;

(ii) A senior manager;

(iii) A manager directly accountable to the chief financial officer or a senior manager; or

(iv) A bid adjudication committee.

(3) An official or bid adjudication committee to which the power to make final awards has been sub delegated in accordance with subparagraph 5(2) must within five days of the end of each month submit to the official referred to in subparagraph 5(4) a written report containing particulars of each final award made by such official or committee during that month, including–

(a) The amount of the award;

(b) The name of the person to whom the award was made; and

(c) The reason why the award was made to that person.

(4) A written report referred to in subparagraph 5(3) must be submitted –

(a) To the accounting officer, in the case of an award by –

(i) The chief financial officer;

(ii) A bid adjudication committee of which the chief financial officer; or

(b) To the chief financial officer or his delegate responsible for the relevant bid, in the case of an award by –

(i) A manager referred to in subparagraph 5 (2) (c) (ii); or

(ii) A bid adjudication committee of which the chief financial officer is a member.

(5) Subparagraphs 5(3) and 5(4) of this policy do not apply to procurements out of petty cash.

(6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

(7) No supply chain management decision-making powers may be delegated to an advisor or consultant/ consulting engineer.

7. Oversight role of council

(1) The Council reserves its right to maintain oversight over the implementation of this Policy.

(2) For the purposes of such oversight the accounting officer must –

(a) within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and

(b) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report.

(3) The Supply Chain Manager must, within 4 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Chief Financial Officer, of which he must submit it within 3 days to the Accounting Officer**.** The Accounting Officer must within 3 days after receiving the report submit it to the Mayor.

(4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

8. Supply chain management unit

(1) Witzenberg Municipality has established a supply chain management unit to implement this Policy.

(2) The supply chain management unit operates under the direct supervision of the chief financial officer whom this duty has been delegated in terms of section 82 of the Act.

9. Training of supply chain management officials

(1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

10. Format of supply chain management system

This Policy provides systems for –

(1) Demand management;

(2) Acquisition management;

(3) Logistics management;

(4) Disposal management;

(5) Risk management; and

(6) Performance management.

11. Communication with the municipality

(1) All correspondence with regards to this policy shall be addressed to the Manager: Supply Chain Management.

Part 1: Demand management

12. System of demand management

(1) The accounting officer has established and implemented an appropriate demand management system in order to ensure that the resources required by the municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.

(2) The demand management system -

(a) include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;

(b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and

(c) Provide for the compilation of the required specifications to ensure that its needs are met.

(d) undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.

(e) provide efficient and effective provisioning and procurement systems and practices to enable the municipality to deliver the required quantity and quality of services to the communities.

(f) establish uniform procedures, documents and contracts and the implementation of sound systems of control and accountability.

(g) establish a professional supply chain management system which results in continuing improvement in affordability and value for money, based on total cost of ownership and quality of procurement as competition amongst suppliers is enhanced.

(3) Green procurement must be incorporated as far as reasonable possible, for all specifications of goods, services and construction works.

(4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

Part 2: Acquisition management

13. System of acquisition management

(1) The objectives of this acquisition management system are to ensure:

(a) that goods and services, including construction works and consultant services are procured by the municipality only in accordance with the authorised procedures incorporated herein;

(b) that expenditure on goods and services, including construction works and consultant services is incurred in terms of an approved budget; and

(c) that the threshold values of the different procurement procedures are complied with.

(d) that bid documentation, evaluation and adjudication criteria, and general conditions of contract are in accordance with the requirements of relevant legislation including, the Preferential Procurement Policy Framework Act, and any conditions of the Construction Industry Development Board Act; and

(e) that procurement guidelines issued by the National Treasury are taken into account.

(2) When procuring goods or services contemplated in section 110(2) of the Act, the accounting officer must make public the fact that such goods or services are procured otherwise than through the municipality's supply chain management system, including -

(a) The kind of goods or services; and

(b) The name of the supplier.

(3) Unless otherwise indicated in the bid documents, the municipality shall not be liable for any expenses incurred in the preparation and / or submission of a bid or quotation.

(4) Bid documentation may state that alternative bids can be submitted provided that a bid is in accordance with the bid documents is also submitted.

(5) An alternative bid shall be submitted on a separate complete set of bid documents and shall be clearly marked "Alternative Bid" to distinguish it from the main bid offer referred to above.

(6) Bid documentation shall state that the municipality will not be bound to consider alternative bids.

(7) The Manager Supply Chain management may extend the bid closing date if circumstances justify the action, provided that the closing date may not be extended unless a notice is published in the same newspapers as the original advertisement prior to the original bid closing date.

(8) The notice referred to in paragraph 13 (7) must also be posted on the municipal notice boards, the municipal website and a notice must be sent to all bidders

14. Range of procurement processes

(1) Goods and services may only be procured by way of

(a) One written price quotation up to a transaction value of R 2,000 (VAT included);

(b) Petty cash purchases up to a transaction value of R 2,000 (VAT included) for items specified in the Petty Cash policy;

(c) Three written price quotations for procurements of a transaction value over R 2,000 up to R10,000 (VAT included);

(d) Three formal written price quotations for procurements of a transaction value over R 10,000 up to R200,000 (VAT included); and

(e) A competitive bidding process for–

(i) Procurements above a transaction value of R200 000 (VAT included); and

(ii) The procurement of long term contracts.

(2) The accounting officer may, in writing lower, but not increase, the different threshold values specified in subparagraph 14(1);

(3) For quotations (up to R 30 000) bidders are required to be registered on the municipality's supplier database prior to the acceptance of their quotation in respect of the goods or services required.

(4) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

15. General preconditions for consideration of written quotations or bids

(1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –

(a) Has furnished that provider's –

(i) Full name;

(ii) Identification number or company or other registration number; and

(iii) Tax reference number and VAT registration number, if any;

(iv) registration number in terms of section 18(1) of the Construction Industry Development Board Act, 2000 (Act No.38 of 2000), should the provider quote or bid to undertake, carry out or complete any construction works or portion thereof;

(b) Has provided the municipality with an original and valid tax clearance from the South African Revenue Services confirming that the provider's tax matters are in order; and

(c) Has indicated –

(i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;

(ii) if the bidder is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or

(iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months;

(iv) On their supplier database application form if the supplier or person is in the service of the state, that such declaration be deemed as sufficient and that the responsibility rests on the supplier to notify the supply chain management unit of any changes hereto.

(v) Has completed, signed and submitted a certificate of independent bid determination with their bid or quotation.

(2) Laws of the Republic of South Africa shall govern contracts arising from the acceptance of bids and quotations.

(3) Where the acquisition in question is likely to involve an imported component which will be subject to foreign exchange rate adjustments, the bid documentation must specify that the contractor take out a forward

exchange contract in order to fix the Rand based price as soon as possible after the award.

16. Lists of accredited prospective providers

(1) The accounting officer must –

(a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through written or verbal quotations and formal written price quotations for procurement up to R 30 000; and

(b) at least twice a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;

(c) specify the listing criteria for accredited prospective providers;

(d) disallow the listing of any prospective supplier on the municipality's supplier database who do not comply with the accreditation requirements i.e. listing criteria and also based on standards, set by any relevant control bodies that govern or regulate the category of service or industry.

(e) disallow the listing of any prospective provider whose name appears on the National Treasury's List of Restricted Suppliers and/or Registered for Tender Defaulters and/or a person or business prohibited from doing business with the public sector.

(2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.

(3) The list must be compiled per commodity and per type of service.

(4) The accounting officer may use the Central Supplier Database hosted by National Treasury for procurement.[17]

[17] Amended by council 30 May 2017

17. Petty cash purchases

Petty cash purchases must be done according to the Petty Cash policy. The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 14 (1) (b) of this Policy, are as follows–

(a) The Accounting Officer may delegate the responsibility for petty cash to an official directly or indirectly reporting to the CFO;

(b) No item that is an approved stores item might be purchase by means of a petty cash transaction;

(c) No fixed asset of whatever value may be purchase through petty cash;

(d) The nature of petty cash transactions that can be processed as petty cash transactions are listed in paragraph 5 of the Petty Cash policy;

(e) The Council will determine annually the maximum amount of petty cash expenditure per month as referred to in paragraph 6 of the petty cash policy;

(f) A monthly reconciliation report must be provided to the chief financial officer, within five days of the end of each month containing particulars of each final award made by an official during that month, including:

(i) The total amount of petty cash purchases for that month; and

(ii) Receipts and appropriate documents for each purchase.

18. Written Price quotations

(1) The conditions for the procurement of goods or services through written price quotations are as follows:

(a) All requirements below R2 000.00 (VAT incl.) which are not covered by the Petty Cash policy, one written price quotation must be obtained from providers who are listed as accredited prospective service providers.

(b) All requirements between R2 000.00 (VAT incl.) and R 10 000.00 (VAT incl.) three written price quotations must be obtained from providers who are listed as accredited prospective service providers.

(c) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers, provided that such providers meet the listing criteria;[18]

[18] Amended by council 30 May 2017

19. Formal written price quotations

(1) The conditions for the procurement of goods or services through formal written price quotations are as follows:

(a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality;

(b) Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria; [19]

(c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer, and

(d) The Chief Financial Officer must record the names of the potential providers and their written quotations.

(2) A designated official referred to in subparagraph 19 (1) (c) must within three days of the end of each month report to the chief financial officer on any approvals given during that month by that official in terms of that subparagraph.

20. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

(1) The procedure for the procurement of goods or services through written quotations or formal written price quotations is as follows:

(a) When using the list of accredited prospective providers the accounting officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis;

(b) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 19, be advertised for at

[19] Amended by council 30 May 2017

least seven days on the website and official notice boards of the municipality;

(c) Offers received must be evaluated on a comparative basis taking into account unconditional discounts;

(d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written quotations and formal written price quotations accepted by an official acting in terms of a sub delegation;

(e) Offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;

(f) Acceptable offers, which are subject to the preference points system (PPPFA and Preferential Procurement Regulations of 2017), must be awarded to the bidder who scored the highest points;[20]

(g) Comply with all requirements for proper record keeping.

21. Competitive bids

(1) Goods or services above a transaction value of R200 000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 13(2) of this Policy.

(2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

(3) The accounting officer may split unduly large quantities of work into smaller contracts (units) to provide opportunities for emerging entrepreneurs and make it manageable. This may only be done when it is technically, logistically and financially feasible.

22. Process for competitive bidding

(1) The procedures for the following stages of a competitive bidding process are as follows:

(a) Compilation of bidding documentation as detailed in paragraph 23

[20] Amended by council 30 May 2017

(b) Public invitation of bids as detailed in paragraph 24;

(c) Site meetings or bid clarification meetings as detailed in paragraph 25;

(d) Handling of bids submitted in response to public invitation as detailed in paragraph 27;

(e) Evaluation of bids as detailed in paragraph 36;

(f) Award of contracts as detailed in paragraph 37;

(g) Administration of contracts -

(i) After approval of a bid, the accounting officer and the bidder must enter into a written agreement.

(h) Proper record keeping -

(i) Original / legal copies of written contracts agreements should be kept in a secure place for reference purposes.

23. Bid documentation for competitive bids

(1) The criteria to which bid documentation for a competitive bidding process must –

(a) Take into account –

(i) The general conditions of contract and any special conditions of contract, if specified;

(ii) Any Treasury guidelines on bid documentation; and

(iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;

(iv) And clearly indicate the terms and conditions of contract specifications, criteria for evaluation and adjudication procedures to be followed where applicable, and include if and where site meetings/ bid clarification meetings are compulsory.

(b) include the preference points system to be used , goals as contemplated in the Preferential Procurement Regulations 2017;[21]

(c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;

(d) Provide for an appropriate contract and / or delivery period;

(e) stipulate if the value of the transaction is expected to exceed R5 million (VAT included), require bidders to furnish–

[21] Amended by council 30 May 2017

(i) If the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements –

(aa) for the past three years; or

(bb) since their establishment if established during the past three years;

(ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;

(iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;

(iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and

(j) Stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African court of law.

(k) Not be aimed at hampering competition, but rather to ensure fair, equitable, transparent, competitive and cost effective bidding, as well as the protection or advancement of persons or categories of persons.

24. Public invitation for competitive bids

(1) The procedure for the invitation of competitive bids is as follows:

(a) On completion of the bid specification process the municipality shall publicly invite bids.

(b) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the municipality or any other appropriate ways (which may include an advertisement in the

Government Tender Bulletin);

(b) The notice may require a payment of a non-refundable bid fee by bidders who require bid documents. The bid documentation fee shall be determined by the accounting officer from time to time

(d) The information contained in a public advertisement, must indicate –

(i) The title of the proposed bid;

(ii) The bid number;

(iii) The date, time and location of any site meeting/ bid clarification meeting and whether such meetings are compulsory;

(iv) Whether functionality is required;

(v) The place where the bid documentation is available for collection and the times between which bid documents may be collected;

(vi) The bid documentation fee;

(vii) The place where bids must be submitted;

(viii) The closing date and time for submission of bids; and

(ix) The required CIDB contractor grading for construction work, if applicable.

(e) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R4 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 22(2) of this policy;

(f) A statement that bids may only be submitted on the bid documentation provided by the municipality, must be included.

(2) The accounting officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

(3) Bids submitted must be sealed and must clearly indicate the bid number and bid title on the outside of the envelope for which the bid is being submitted.[22]

(4) Details of all prospective bidders who have been issued with bid documents must be recorded by the Supply Chain Management Unit and shall remain confidential for the duration of the bid period. Details of prospective bidders must, wherever possible, include the full name of the person drawing documents, the name of the company for whom the bid documents are, a contact person, a contact telephone, a fax number and a postal and email address.

(5) A bidder that did not pay the prescribed bid document fee, will be disqualified from the bidding process.

(6) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

25. Site meetings/ bid clarification meetings

(1) Site meetings/ bid clarification meetings will, in general, not be compulsory. In exceptional circumstances however, a site meeting/ bid clarification meeting may be made compulsory with the approval of the relevant director.

(2) If site meetings/ bid clarification meeting are to be held, full details must be included in the bid notice and the bid document, including whether or not the site meeting/ bid clarification meeting is compulsory.

(3) Where site meetings/ bid clarification meetings are made compulsory, the date for the site meetings/ bid clarification meeting shall be not less than 7 (seven) days after the bid has been advertised.

(4) Site meetings/ bid clarification meeting will be chaired by a duly authorised representative from the Supply Chain Management Unit. The relevant line manager responsible for a specific bid or the duly appointed consulting

[22] Amended by council 30 May 2017

engineering firm employee must be present at the site meetings/ bid clarification meeting in order to provide technical information and to answer technical related questions that might arise from the prospective bidders.

(5) The chairperson of the site meeting/ clarification meeting must explain the way how the site meetings/ bid clarification will be conducted and must exclude prospective bidders that arrive after the meeting has been opened.

(6) Prospective bidders present at the site meetings/ bid clarification meeting, will be required to confirm their attendance by signing the attendance register as provided by the Supply Chain Management Unit.

(7) In instances where bid documentation provides for an attendance certificate, such a certificate must be signed by the representative of the Supply Chain Management Unit who was present at the site meetings/ bid clarification meeting and submitted with the bid document.

(8) If at a site meetings/ bid clarification meeting, any additional information is provided or clarification of vague points is given, such additional information or clarification must be conveyed to all bidders in writing within a time frame as determined by the municipality, but not later than 7 (seven) days before the bid closing date.

(9) Drawings and other supplements to bid documents may be provided to prospective bidders at the site meetings/ bid clarification meeting.

(10) A bidder who failed to attend a compulsory site meeting/ bid clarification meeting will be disqualified from the bidding process.

26. Submission of bids

(1) Bids must be submitted before the closing time, at the address and in accordance with the directives in the bid documents.

(2) Each bid must be in writing using non-erasable ink and must be submitted on the official Form of Bid/Offer issued with the bid documents.

(3) The bid must be submitted in a separate sealed envelope with the name and address of the bidder, the bid number and title, the bid box number (where applicable), and the closing date indicated on the envelope. The envelope may not contain documents relating to any bid other than that shown on the envelope. Only sealed bids will be accepted.

(4) The onus shall be on the bidder to place the sealed envelope in the official, marked and locked bid box provided for this purpose, at the designated venue, not later than the closing date and time specified in the bid notice.

(5) No bids forwarded by telegram, facsimile or similar apparatus shall be considered.

(6) A bid is late if it is not placed in the relevant bid box by the closing time and date of such bid.

(7) A late bid shall not be admitted for consideration and shall be returned unopened (where feasible) to the bidder with the reason for the return thereof endorsed on the envelope.

27. Procedure for handling, opening and recording of competitive bids and formal written price quotations in excess of R 30 000[23]

(1) The procedures for the handling, opening and recording of **competitive** bids and formal written price quotations in excess of R 30 000, are as follows:[24]

(a) At least two officials, of whom one must be the delegated Supply Chain Management representative, must at all times, administer the opening of bids.

(b) At the specified closing time on the closing date the applicable bid box shall be closed.

(c) The bid box shall be opened in public as soon as practical after the closing time of the bid.

(d) Immediately after the opening of the bid box, all bids that are clearly marked shall be opened.

[23] Amended by council 30 May 2017
[24] Amended by council 30 May 2017

(e) The Supply Chain Management representative as delegated, shall read out the name of the bidder, if practical the bid amount, the BBBEE status level contribution of each bidder, where applicable the local content percentages of the goods offered and the bid opening register will be made available for public inspection and published on the municipality's website.[25]

(f) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;

(g) No information, except the provisions in subparagraph (e), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award; and

(h) The Supply Chain Management representative that is delegated to open the bids must –

(i) stamp the bid document with the official municipal stamp together with the two signatories administering the bid opening

(ii) record in a register all bids received in time;

(iii) sign the register as well as the official assisting at the bid opening.

(iv) Make the register available for public inspection; and

(v) Publish the entries in the register and the bid results on the website.

(vi) No councillor may be present at the opening of bids.

(2) Bids shall be invalid, and shall be endorsed and recorded as such in the bid opening record by the responsible official to open the bid, in the following instances:

(a) If the bid is not sealed;

(b) if the bid, including the bid price amount, where applicable is not submitted on the official Form of Bid/Offer;

[25] Amended by council 30 May 2017

(c) if the bid is not completed in non-erasable ink;

(d) if the Form of Bid/Offer is signed, but the name of the bidder is not stated, or is indecipherable; or

(e) if in a two envelope system is followed, the bidder fails to submit both a technical proposal and a separate sealed financial offer/bid.

(3) A bid will not be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening and shall be deemed to be the bid amount.

(4) The Manager Supply Chain Management may, in compliance with paragraph 63 of this policy, provide a reasonable opportunity to a bidder who made an innocent error and/ or omission in his/ her bid document, to correct the innocent error and/ or omission, provided that such opportunity will not unduly prejudice any of the other bidders.

(5) Bidders shall be afforded no longer than 48 hours from time of notification to correct such innocent errors and/ or omissions. If no response is received from such bidders at the deadline, the bid may be invalidated.

(6) When bids are declared invalid at the bid opening, the bid sum of such bids shall not be read out. However, the name of the bidder and the reason for the bid having been declared invalid shall be announced.

28. Procedure for the opening of bids where a two envelope system is followed

(1) If a two envelope system is followed, only the technical proposal will be opened at the bid opening.

(2) The unopened envelope containing the financial proposal shall be stamped and endorsed with the opening official's signature, and be retained by him/her for safekeeping.

(3) When required the financial offers/bids corresponding to responsive technical proposals, shall be opened by the opening officials in accordance with paragraph 27 (1) (a)

(4) All bidders who submitted responsive technical proposals must be invited to attend the opening of the financial offers/bids.

(5) Envelopes containing financial offers/bids corresponding to non-responsive technical proposals shall be returned unopened along with the notification of the decision of the Bid Adjudication Committee in this regard.

29. Communication with bidders before bid closing

(1) The Manager Supply Chain Management may, if necessary, communicate with bidders prior to bids closing.

(2) Such communication shall be in the form of a notice issued to all bidders by the Manager Supply Chain Management by either e-mail, facsimile, or registered post as may be appropriate. A copy of the notice together with a transmission verification report/proof of posting shall be kept for record purposes. Notices should be issued at least one week prior to the bid closing date, where possible, except in terms of paragraph 13 (7).

(3) Notwithstanding a request for acknowledgement of receipt of any notice issued, the bidder will be deemed to have received such notice if the procedures in paragraph 29 (2) have been complied with.

30. Negotiations with preferred bidders

(1) The accounting officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –

(a) does not allow any preferred bidder a second or unfair opportunity;

(b) is not to the detriment of any other bidder; and

(c) does not lead to a higher price than the bid as submitted.

(2) Minutes of such negotiations must be kept for record purposes.

31. Two-stage bidding process

(1) A two-stage bidding process is allowed for –

(a) Large complex projects;

(b) Projects where it may be undesirable to prepare complete detailed

technical specifications; or

(c) Long term projects with a duration period exceeding three years subject to section 33 of the Act.

(2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.

(3) In the second stage final technical proposals and priced bids should be invited.

(4) A two envelope system differs from a two-stage (prequalification) bidding process in that a technical proposal and the financial offer are submitted in separate envelopes at the same place and time. The financial offers will only be opened once the technical proposals have been evaluated.

32. Validity periods

(1) The period for which bids are to remain valid and binding must be indicated in the bid documents.

(2) The validity period is calculated from the bid closure date and bids shall remain in force and binding until the end of the final day of that period.

(3) This period of validity may be extended by the Manager: Supply Chain Management, provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.

(4) Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.

(5) In the event that an appeal is received, the validity period is deemed to be extended until finalisation of the appeal.

33. Samples

(1) Bid documents may require samples that must be submitted.

(2) Where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the Supply Chain Management representative mentioned in the bid document before the bid closing date.

(3) A register will be kept by the Supply Chain Management representative of samples received from prospective bidders. An acknowledgement of receipt shall be issued to the prospective bidder as proof of delivery.

(4) Bids may not be included in parcels containing samples.

(5) If samples are not submitted as required in the bid documents then the bid concerned must be declared non-responsive.

(6) Samples shall be supplied by a bidder at his/her own expense and risk. The municipality shall not be obliged to pay for such samples or compensate for the loss thereof, unless otherwise specified in the bid documents.

(7) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample. If not, it might be deemed as a breach in contract.

(8) The municipality reserves the right not to return the contract sample and may dispose of it at its own discretion.

34. Committee system for competitive bids

(1) A committee system for competitive bids is hereby established, consisting of the following committees for procurement or cluster of procurements as

the accounting officer may determine:

(a) A bid specification committee;

(b) A bid evaluation committee; and

(c) A bid adjudication committee;

(2) The accounting officer appoints the members of each committee, taking into account section 117 of the Act; and

(3) A neutral or independent observer, appointed by the accounting officer, must attend or oversee a committee when this is appropriate for ensuring fairness and promoting transparency.

(4) The committee system must be consistent with –

(a) Paragraph 35, 36 and 37 of this Policy; and

(b) Any other applicable legislation.

(5) The accounting officer may apply the committee system to formal written price quotations.

35. Bid specification committees

(1) A bid specification committee must compile the specifications for procurement of goods or services by the municipality.

(2) Specifications –

(a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;

(b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;

(c) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;

(d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test

methods, packaging, marking or labelling of conformity certification;

(e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent";

(f) must indicate the preference points system to be utilised as set out in the Preferential Procurement Regulations 2017; and[26]

(g) Must be approved by the relevant director prior to publication of the invitation for bids in terms of paragraph 24 of this Policy.[27]

(3) A bid specification committee must be composed of one or more officials of the municipality preferably the manager responsible for the function involved, and may, when appropriate, include external specialist advisors.

(4) No person, advisor or corporate entity involved with the bid specification committee, or director of such a corporate entity, may bid for any resulting contracts.

36. Bid evaluation committees

(1) A bid evaluation committee must –

(a) Evaluate bids in accordance with –

(a) the specifications for a specific procurement; and

(b) The points system set out in terms of paragraph 35 (2) (f).

(b) Evaluate each bidder's ability to execute the contract;

(c) Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;

(d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.

(2) A bid evaluation committee must as far as possible be composed of-

[26] Amended by council 30 May 2017

[27] Amended by council 30 May 2017

(a) Officials from departments requiring the goods or services; and

(b) At least one supply chain management practitioner of the municipality.

(3) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee.

37. Bid adjudication committees

(1) A bid adjudication committee must –

(a) Consider the report and recommendations of the bid evaluation committee; and

(b) Either –

(i) Depending on its delegations, make a final award or a recommendation to the accounting officer to make the final award; or

(ii) Make another recommendation to the accounting officer how to proceed with the relevant procurement.

(2) A bid adjudication committee must consist of at least four senior Managers of the municipality which must include –

(a) The Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer;

(b) at least one senior supply chain management practitioner who is an official of the municipality or the municipal entity; and

(c) a technical expert in the relevant field who is an Director of the municipality or municipal entity, if the municipality or municipal entity has such a expert

(3) A quorum is of 50 % plus 1, with the Chief Financial Officer or, if the chief financial officer is not available, another manager in the budget and treasury office reporting directly to the chief financial officer and designated by the chief financial officer being, at all times one of the quorum-forming members:

(4) The accounting officer may appoint the CFO as chairperson of the

committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting and will be documented in the minutes.

(5) Neither a member of a bid evaluation committee, nor an advisor or person assisting the evaluation committee, may be a member of a bid adjudication committee.

(6) If the bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid –

(a) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;

(b) Notify the accounting officer.

(c) The accounting officer may –

(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in paragraph (a)-(b); and

(ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.

(7) The accounting officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.

(8) The accounting officer must comply with section 114 of the Act within 10 working days

(9) If the Bid Adjudication Committee or other delegated official has resolved that a bid be accepted, the successful and unsuccessful bidders shall be notified in writing of this decision

(10) Every notification of decision shall be sent via registered mail and either faxed or sent via electronic mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such notification and kept for record purposes.

(11) Members of the bid specification committee, bid evaluation committee and technical advisors may attend the bid adjudication committee to provide clarity, but has no decision making rights pertaining to the award.

(12) The accounting officer may sub-delegate its power in terms of paragraph 63 of this policy to the bid evaluation committee, the bid adjudication committee and the Manager Supply Chain Management.

38. Procurement of banking services

(1) A contract for banking services –

(a) Must be procured through competitive bids;

(b) Must be consistent with section 7 or 85 of the Act; and

(c) May not be for a period of more than five years at a time.

(2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.

(3) The closure date for the submission of bids may not be less than 60 Days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

39. Procurement of IT related goods or services

(1) The accounting officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.

(2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.

(3) The accounting officer must notify SITA together with a motivation of the IT needs if –

(a) the transaction value of IT related goods or services required in any financial year will exceed R50 million (VAT included); or

(b) The transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).

(4) If SITA comments on the submission and the municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

40. Procurement of goods and services under contracts secured by other organs of state

(1) the accounting officer may procure goods or services under a contract secured by another organ of state, but only if –

(a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;

(b) There is no reason to believe that such contract was not validly procured;

(c) There are demonstrable discounts or benefits to do so; and

(d) That other organ of state and the provider have consented to such procurement in writing.

(2) Subparagraphs (1) (c) and (d) do not apply if –

(a) a municipal entity procures goods or services through a contract secured by its parent municipality; or

(b) A municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.

41. Procurement of goods necessitating special safety arrangements

(1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel,

should be avoided where ever possible.

(2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the accounting officer.

42. Proudly SA Campaign/Local content

(1) The municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services

(2) Bids in respect of services, works or goods that have been designated for local production and content, must contain a specific bidding condition that only locally produced goods, services or works or locally manufactured goods with a stipulated minimum threshold for local production and content will be considered

(3) The National Department of Trade and Industry is empowered to designate industry sectors, in line with national development and industrial policies for local production, where only locally produced goods, services or construction works, or locally manufactured goods that meet a stipulated minimum threshold for local production and content, may be used.

(4) In the case of designated sectors, where in the award of bids, local production and content is of critical importance, such bids must be advertised with a specific condition of bidding, that only locally produced goods, services or construction works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

(5) Any instructions, circulars and guidelines issued by National Treasury in the above regard may be complied with.

(6) Where there is no designated sector, bids may include, as a specific condition of bidding, that only locally produced goods, services or

construction works, or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered, on condition that such prescript and threshold(s) are in accordance with the specific directives issued for this purpose by the National Treasury in consultation with the Department of Trade and Industry.

(7) Every bid where local production and content are used, it must be measurable and audited.

(8) Bids must be evaluated in terms of the evaluation criteria stipulated in the bid documents. The amendment of the stipulated minimum threshold for local production and content after the closure of bids is not allowed as this may jeopardise the fairness of the process.

43. Appointment of consultants

(1) the accounting officer may procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.

(2) Consultancy services must be procured through competitive bids if
   (a) The value of the contract exceeds R200 000 (VAT included); or
   (b) The duration period of the contract exceeds one year.

(3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
   (a) all consultancy services provided to an organ of state in the last five years; and
   (b) Any similar consultancy services provided to an organ of state in the last five years.

(4) The accounting officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

44. Deviation from, and ratification of minor breaches of, procurement processes

(1) The accounting officer may –

(a) Dispense with the official procurement processes established by this Policy and procure any required goods or services through any convenient process, which may include direct negotiations and through the process set out in this paragraph provided that the municipality shall adhere to fair, equitable, transparent, competitive and cost-effective, procurements to the maximum extent practicable.

(b) Dispense with the official procurement processes established by this Policy only –

(i) In an emergency;

(ii) If such goods or services are produced or available from a single provider only;

(iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) Acquisition of animals for zoos and/or nature and game reserves; or

(v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(c) Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) In compliance with the provisions of paragraph 44(1) the municipality implements individual and class deviations.

(3) Individual Deviations

The accounting officer may decide to consider an individual deviation only if –

(a) In an emergency

(b) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and the goods or services are anticipated to be used only once during the financial year.

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(4) The conditions warranting procurement in an emergency dispensation should include, where time of the essence, the existence of one or more of the following:

(a) the possibility of human injury or death;

(b) the prevalence of human suffering or deprivation of rights;

(c) the possibility of damage to property, or suffering and death of livestock and animals;

(d) the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;

(e) the possibility of serious damage occurring to the natural environment;

(f) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service; and

(g) the possibility that the security of the state could be compromised.

(5) The accounting officer must be satisfied that the prevailing situation as indicated in (a)-(g) above is of such a scale and nature that it could not readily be alleviated by interim measures in order to allow time for normal bid, at least three quote procurement process or a class deviation.

(6) Where possible, in an emergency situation, three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for approval. However, where time is of the essence, the emergency shall be immediately addressed, and the process formalised in a report to the Municipal Manager as soon as possible thereafter.

(7) System of class deviations:

(a) The accounting officer may decide to consider a class deviation, only if –

(i) Such goods or services are produced or available from a single provider;

(ii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iii) Acquisition of animals for zoos and/or nature and game reserves; or

(iv) In any other exceptional case where it is impractical or impossible to follow the official procurement processes and a contract for goods or services are likely to be awarded more than once in the financial year to the same supplier;

(8) Where possible, in considering a class deviation in terms of paragraph 44(7), three quotes in accordance with general acquisition management principles should be obtained and a report submitted to the Municipal Manager for

approval.

(9) If the accounting officer decides to consider a class deviation in terms of paragraph 44 (7) (i)-(iv), other than in paragraph 44(8) the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with

a) Reasons as to why the procurement is done through a class deviation and why it is not open to other competitors; and

(c) An invitation to the public or other potential suppliers to submit their comments within 14 days of the notice.

(10) The bid adjudication committee must consider the class deviation and make a recommendation to the accounting officer

(11) A meeting of the adjudication committee to consider a class deviation may be open to the public.

(12) When considering the class deviation, the adjudication committee must take into account –

(a) Any comments submitted by the public or suppliers;

(b) The indicative market prices of the goods or services;

(c) The duration or planned times of when the service or goods are needed;

(d) The proposed circumstances, conditions or limitations for the of use of the class deviation; and

(e) The reasons for deviating from the normal procurement process in compliance with paragraph 44

(13) The accounting officer must record the reasons for any deviations in terms of this policy and report them to the next meeting of the council and include it as a note to the annual financial statements.

(14) Paragraph 44 (13) of this policy does not apply to the procurement of goods and services contemplated in paragraph 13(2) of this policy.

45. Unsolicited bids

(1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.

(2) The accounting officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –

(a) the product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;

(b) The product or service will be exceptionally beneficial to, or have exceptional cost advantages;

(c) The person who made the bid is the sole provider of the product or service; and

(d) The reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

(3) If the accounting officer decides to consider an unsolicited bid that complies with subparagraph 45(2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –

(a) Reasons as to why the bid should not be open to other competitors;

(b) An explanation of the potential benefits if the unsolicited bid were accepted; and

(c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

(4) The accounting officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.

(5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the accounting officer, depending on its delegations.

(6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.

(7) When considering the matter, the adjudication committee must take into account –

(a) any comments submitted by the public; and

(b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.

(8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the accounting officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

(9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality to the bid may be entered into or signed within 30 days of the submission.

46. Combating of abuse of supply chain management system

(1) The accounting officer must–

(a) Take all reasonable steps to prevent abuse of the supply chain management system;

(b) Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –

(i) Take appropriate steps against such official or other role player; or

(ii) Report any alleged criminal conduct to the South African Police Service;

(c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;

(d) Reject any bid from a bidder–

(i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the municipality,

or to any other municipality or municipal entity, are in arrears for more than three months; or

(ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;

(e) Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;

(f) Cancel a contract awarded to a person if –

(i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or

(ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and

(g) Reject the bid of any bidder if that bidder or any of its directors –

(i) Has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;

(ii) Has been convicted for fraud or corruption during the past five years;

(iii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or

(iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

(2) The accounting officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of paragraphs 46 (1) (b) (i)-(ii) of this policy.

Part 3: Logistics, Contract, Disposal, Risk and Performance Management

47. Logistics management

Logistics management must provide for an effective system in order to provide for the setting of inventory levels, placing of orders, receiving and distribution of goods, stores and warehouse management, expediting orders, transport management, vendor performance, maintenance and contract administration.

(1) The accounting officer must establish and implement an effective system of logistics management, which must include –

(a) Placing of orders:

(i) Purchase orders will be created with reference to requisitions where the supply source is either bids or quotations.

(ii) All purchase orders will be captured on the municipality's financial system

(b) Receiving of goods:

(i) Goods received must be captured on the municipality's financial system via a goods receive note with reference to the relevant purchase order number.

(ii) Deliveries of goods may not exceed the order quantity. Short deliveries will keep the purchase order open until the balance of the order is received or when the order is cancelled.

(c) Expediting orders:

(i) The purchasing expeditor will be required to monitor and expedite the transport of goods and outstanding purchase orders.

(ii) Reminder letters can be communicated automatically to vendors based on the reminder levels (days before delivery due date) that are set in the bid or quotation.

(d) Stores / warehouse management

i. Stock is valued at the weighted average costing method per item and is VAT exclusive.

ii. Regular monitoring of spending patterns on types or classes of goods must be performed, where practical.

iii. Each item must have a unique stock item number.

iv. A formal stock count must be done on a quarterly basis and any surpluses, deficits, losses, damaged stock and obsolete stock must be reported by the Manager Supply Chain Management to Council.

v. Each stock item must have a minimum, maximum and re-order level which must be captured on the financial system.

vi. Stock items must be systematically replenished using the re-order point as per the financial system.

vii. Goods in transit must be taken into account during the replenishment of stock

viii. Stock levels must be revisited on an annual basis

ix. The financial system must indicate lead times for stock items

x. Before payment is approved, certification by the Storekeeper that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract

xi. The Storekeeper must ensure appropriate standards of internal control and warehouse management are adhered to, to ensure that goods placed in stores are secure, safe and

only used for the purpose for which they were purchased

xii. The Storekeeper must perform regular spot-checking of stock items to ensure that the items are on the correct shelving space and that the physical quantities correspond with the quantities as per the financial system. Any differences found must be reported to the Manager Supply Chain Management.

xiii. Items listed as stock, may not be procured outside of the stock system.

xiv. Where user departments require higher quantities of stock, a demand forecast must be provided to the Storekeeper in advance, taking lead time into consideration, to enable the Storekeeper to procure the requested quantities on time.

48. Contract management

1) Contract administration includes all administrative duties associated with a contract that has arisen through the acquisition/procurement processes described in this policy.

2) All contracts must be administered by a contract manager, who will be an internal official assigned to ensure the effective administration of the contract.

3) The contract manager will typically be the internal project manager assigned to the project as a whole, but may also be a cost centre owner or other responsible official.

4) A contract manager must be assigned to each contract and, where possible, should be involved from the earliest stages of the acquisition process.

5) The contract manager's duties and powers shall be governed by the conditions of contract and the general law.

6) In administering a contract, the contract manager will be required to form

opinions and make decisions which, while in the Witzenberg Municipality's best interests, must be fair to all parties concerned.

7) Directors shall be responsible for ensuring that contract managers are:

(a) assigned to all contracts within the Director's area of responsibility; and

(b) adequately trained so that they can exercise the necessary level of responsibility in the performance of their duties.

8) The contract manager must:

(a) ensure that all the necessary formalities in signing up the contract and/or issuing the purchase order(s) are adhered to;

(b) ensure that purchase order are captured on the municipality's financial system in the form in accordance with the pricing schedule;

(c) ensure that all original contract documentation is lodged with Archives for record purposes;

(d) monitor on a monthly basis the performance of the service provider order to ensure that all of the terms and conditions of the contract are met;

(e) regularly report to the accounting officer on the management of the contract and the performance of the service provider;

(f) conduct contract risk assessments for contracts longer then 3 months as stated in paragraph 50 (4) and 50 (5);

(g) where necessary, take appropriate action where a service provider is underperforming or is in default or breach of the contract and to report such failures promptly to the accounting officer;

(h) where appropriate, authorise payments due in terms of the contract by processing payment certificates (if applicable), and ensuring that

the necessary Service Entry Sheets or Goods Received Notes are lodged with the Finance Department for capturing on the municipality's financial system;

(i) contract variation or change procedures are approved by the accounting officer in writing which must be in line with the applicable general conditions of contract and this policy;

(j) administer disputes, in consultation with the Supply Chain Management Unit, in terms of this policy and the applicable conditions of contract;

(k) conduct, as appropriate, post contract reviews;

(l) maintain adequate records (paper and/or electronic) in sufficient detail on an appropriate contract file to provide an audit trail;

(m) act with care and diligence and observe all accounting and legal requirements;

(n) inform the Asset Management section of the location of newly procured assets for asset register and insurance purposes; and

(o) provide contract information to the Supply Chain Management Unit, as determined by the unit, after a contract has ended.

49. Disposal management

(1) Subject to the provisions of the Municipal Asset Transfer Regulations:

(a) moveable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality;

(b) immovable property may be sold only at market related prices except when the public interest or the plight of the poor demands otherwise;

(c) in the case of the free disposal of computer equipment, the provincial department of education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment;

(d) in the case of fire arms, the National Conventional Arms Control Committee must approve any sale or donation of firearms to any person within or outside the Republic.

(e) where assets are traded in for other assets, the highest possible trade in price is negotiated

(2) The criteria for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act; are as follows:

(A) A municipality may not transfer ownership as a result of sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.

(B) A municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-

(a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and

(b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset

(3) Immovable property may only be let at market related rates except when the

public interest or the plight of the poor demands otherwise and provided that all charges, rates, tariffs, scales of fees or other charges relating to the letting of immoveable property are annually reviewed;

(a) Except for compliance with paragraph 49(3) above, this policy shall not apply to the letting of immovable property unless decide otherwise by council.

(4) Assets may be disposed of by –

(i) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;

(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;

(iii) Selling the asset; or

(iv) Destroying the asset.

50. Risk management

(1) The accounting officer has established and implemented an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system.

(2) Risk management include –

(a) The early and systematic identification of risks on a case-by-case basis;

(b) The allocation and acceptance of risks to the party best suited to manage such risks;

(c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;

(d) The management of risks in a pro-active manner and the provision of adequate cover for residual risks; and

(e) The assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

(3) Due care must be taken in the bid administration and management process to minimise the risks of:

(a) litigation by unsatisfied service providers

(b) misinterpretation of municipal needs

(c) overstatement or understatement of municipal needs

(d) selecting or delivery of inappropriate goods and services

(e) poor value for money

(f) appointing inappropriate suppliers

(g) unethical conduct of suppliers and other official involved in the supply chain management process

(h) uneconomical, uncompetitive and inequitable procurement

(4) To give effect to paragraph 3 above, the municipality will identify risk inherent to a particular bid

(a) Risks may be identified for all bids during the specification stage of the bid process.

(b) Risks identified in (i) above may cover the entire life cycle of a contract from initiation to completion of the goods/services

(c) For contracts with a life cycle in access of 3 months, the risks may be reviewed at least monthly by the contract manager as referred to in paragraph 48(1)(e)(iii)

(d) The contract manager in conducting the review of the bid risks during the life cycle of the contract may add new or emerging risks when identified

(5) A risk table may be included at specification stage for each bid that may set out:

(a) Risk description

(b) Background to the risk

(c) Impact

(d) Likelihood

(e) Inherent risk

(f) Current controls

(g) Perceived control effectiveness

(h) Residual risk

(i) Risk owner

(j) Actions to improve management of the risk

(k) Time scale

(6) The risk rating methodology will be in accordance with the Witzenberg Municipality's risk management policy.

(7) The Evaluation and Adjudication Committee may review risks of bids received against the predetermined risk as identified at the bid specification stage and may in conducting the review of the bid add new or emerging risks and mitigating strategies when identified.

(8) At the briefing session with the successful bidder in terms of paragraph 66 of this policy:

(a) Risks identified during the Bid specification, Bid evaluation and Bid adjudication process that pertains to the contract for goods or services may be disclosed to the successful bidder to improve mitigating factors.

(b) New and emerging risks identified may be added

(c) Risks identified by the successful bidder may be added to the contract risks if agreed to by the municipality.

51. Performance management

(1) The accounting officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved.

(2) The quarterly report and annual report on the implementation of this policy, the monitoring of the service delivery and budget implementation plan (SDBIP) and the Annual Report may be used as tools to perform a retrospective analysis of supply chain management processes.

(3) **Vendor performance**

(a) Each project manager shall monitor the supplier's compliance and performance to the set of specifications.

(b) If the supplier fails to perform in accordance with the specification requirements, the project manager must report such failure to the supplier in writing immediately upon becoming aware of such non-compliance for them to correct the situation.

(c) The above information will be kept and made available for future

evaluation purposes, contract negotiations and regular feedback to vendors.

(d) If vendors fail to deliver in terms of paragraph 23 (1) (a) of the General conditions of contract, the municipality reserves the right to make use of remedies at its disposal in terms of applicable law.

Part 4: Other matters

52. Prohibition on awards to persons whose tax matters are not in order

(1) No award above R15 000 (including VAT) may be made in terms of this policy to a person whose tax matters have not been declared by South African Revenue Service to be in order.[28]

(2) Before making an award to a person the accounting officer must first check with SARS whether that person's tax matters are in order.

(3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.

(4) It is the supplier's responsibility to provide the municipality with a valid and original tax clearance certificate.

53. Prohibition on awards to persons in the service of the state

(1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –

(a) Who is in the service of the state;

(b) If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or

(c) A person who is an advisor or consultant contracted with the municipality with the purpose of assisting the municipality with the defining of requirements, drafting of specifications or the evaluation of the bids.

(2) Persons and business must declare their interest as stated in 53(1)(a)-(c)

[28] Amended by council 30 May 2017

of this policy when completing their supplier database application forms and bid documents. Failure to do so may lead to disqualification.

(3) The municipality may utilise mechanisms at its disposal to determine whether a person is in the service of the state.

54. Awards to close family members of persons in the service of the state

(1) The municipality does not encourage the awarding of contract by employees in decision-making positions to close family members or friends. To this extent the municipality requires all employees to make full disclosures of businesses owned by close family members and/ or friends and it is further expected that such individuals must not directly or indirectly be involved in the awarding of such business

(2) The accounting officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –

(a) The name of that person;

(b) The capacity in which that person is in the service of the state; and

(c) The amount of the award.

55. Ethical standards

(1) A code of ethical standards as set out in the "National Treasury's code of conduct for supply chain management practitioners" is hereby established for officials and other role players in the supply chain management system of the municipality in order to promote –

(a) mutual trust and respect; and

(b) An environment where business can be conducted with integrity and in a fair and reasonable manner.

(2) A breach of the code of ethics must be dealt with as follows -

(a) in the case of an employee, in terms of the disciplinary procedures

of the municipality envisaged in section 67(1)(h) of the Municipal Systems Act;

(b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach.

(c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act.

56. Inducements, rewards, gifts and favours to municipalities, officials and other role players

(1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –

(a) any inducement or reward to the municipality for or in connection with the award of a contract; or

(b) Any reward, gift, favour or hospitality to –

(i) Any official; or

(ii) Any other role player involved in the implementation of this Policy.

(2) The accounting officer must promptly report any alleged contravention of subparagraph 55 (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.

(3) Subparagraph 55 (1) does not apply to gifts less than R350 in value.

57. Sponsorships

(1) The accounting officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –

(a) a provider or prospective provider of goods or services; or

(b) A recipient or prospective recipient of goods disposed or to be disposed.

58. Objections and complaints

(1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

59. Resolution of disputes, objections, complaints and queries

(1) The accounting officer must appoint an independent and impartial person, not directly involved in the supply chain management processes –

(a) To assist in the resolution of disputes between the municipality and other persons regarding -

(i) Any decisions or actions taken in the implementation of the supply chain management system; or

(ii) Any matter arising from a contract awarded in the course of the supply chain management system; or

(b) To deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.

(2) The accounting officer, or another official designated by the accounting officer, is responsible for assisting the appointed person to perform his or her functions effectively.

(3) The person appointed must –

(a) Strive to resolve promptly all disputes, objections, complaints or queries received; and

(b) Submit monthly reports to the accounting officer on all disputes, objections, complaints or queries received, attended to or resolved.

(4) A dispute, objection, complaint or query may be referred to the Relevant provincial treasury if –

(a) The dispute, objection, complaint or query is not resolved within 60 days; or

(b) No response is forthcoming within 60 days.

(5) If the provincial treasury does not or cannot resolve the matter, the Dispute, objection, complaint or query may be referred to the National Treasury for resolution.

(6) This paragraph must not be read as affecting a person's rights to approach a court at any time.

60. Contracts providing for compensation based on turnover

(1) If a service provider acts on behalf of a municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the municipality must stipulate –

(a) A cap on the compensation payable to the service provider; and

(i) That such compensation must be performance based.

61. Compliance with Ethical standards

(1) In order to create an environment where business can be conducted with integrity and in a fair and reasonable manner, this Policy will strive to ensure that the accounting officer and all representatives of the Witzenberg Municipality involved in supply chain management activities shall act with integrity and in accordance with the highest ethical standards. All supply chain management representatives shall adhere to the code of conduct of municipal staff contained in schedule 2 of the Systems Act, the code of conduct for supply chain management practitioners and other role players (annexure A to this policy) and the Ethical code of suppliers (annexure B to this policy).

62. Handling of proprietary information

(1) All information designed and prepared for the municipality is deemed as proprietary. No such information may be distributed, modified or customised for third parties without the written permission of the accounting officer.

(2) All supplier information shall be treated as confidential

(3) In appropriate instances, the municipality may require security clearance and confidentiality agreements to be entered into with suppliers.

63. Non-compliance with peremptory requirements of bids

(1) The accounting officer is empowered to condone non-compliance with peremptory requirements of bids in cases where the condonation is not incompatible with public interest and promote the values of fairness, competitiveness and cost-effectiveness which are listed in Section 217 of the Constitution.

64. Right of Appeal

(1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the municipality, in terms of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of receipt of the notification of the decision.

Bid documents must state that any appeal in terms of paragraph 64 must be submitted to the Municipal Manager, and must contain the following:

(a) reasons and/or grounds for the appeal;
(b) the way in which the appellants rights have been affected; and
(c) the remedy sought by the appellant.

(2) The Municipal manager shall establish an appropriate appeal authority in terms of section 62 of the Systems Act, to consider appeals received in terms of paragraph 64(1) above

(3) The appeal authority must consider the appeal, and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision

65. Unsuccessful bidder debriefing

(1) The unsuccessful bidder debriefing service is offered by the municipality to unsuccessful bidders upon request.

(2) During the debriefing unsuccessful bidders can find out how their proposal scored against required criteria and obtain comments from the evaluation

team on their bid.

(3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.

(4) The debriefing an opportunity for unsuccessful bidders to:

(a) Learn more about the procurement and evaluation process in an informal setting.

(b) Find out how their proposal scored against the required criteria.

(c) Hear the overall comments from the evaluation team on your bid.

(d) Gather information on how future submissions may be improved.

(5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 58 or 64 of this policy.

(6) The debriefing is not legal proceeding and no legal representation is permitted at the debriefing.

(7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.

(8) In scheduling bidders debriefings session upon the request of the unsuccessful bidder, the municipality must:

(a) Confirm the date and time of the debriefing session in writing;

(b) Conduct separate debriefings with each vendor;

(c) Ensure that proper minutes are kept of each debriefing session;

(d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.

(9) In conducting bidders debriefings, the municipality may:

(a) Provide a general overview of the evaluation process set out in the bid documents;

(b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.

(c) Provide suggestions on how the supplier may improve future submissions;

(d) Address specific questions and issues raised by the supplier in relation to their submission.

66. Successful bidder briefing

(1) The notification to the successful bidder in terms of paragraph 37(8) may

require of the successful bidder to attend a compulsory briefing session with the municipality before commencement of the contract at no cost to the municipality.

(2) The purpose of the briefing session is to:

(a) Introduce the municipal contract manager allocated to the specific contract in terms of paragraph 48 and to meet the successful bidders contract manager;

(b) Examine and analyse the bid document and contractual conditions to ensure that specific expectations of the municipality and the obligations of the successful bidder are well understood;

(c) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score.

(d) Communicate and document the anticipated contract risks and challenges as perceived by both the municipality and the successful bidders;

(e) To develop mitigating strategies to address and mitigate the contract risk and challenges; and

(f) Communicate the contract administration process as stated in paragraph 48 of this policy.

(g) Formally sign the bid contract

(3) At least the following persons must attend the briefing session:

(a) The municipal contract manager

(b) The authorised municipal supply chain official

(c) The successful bidders authorised contract signatory

(d) The successful bidders contract manager

(4) The notification to the successful bidder refer to in paragraph 66(1) must state the date, time and place of the briefing session in writing.

(a) Proper minutes must be kept of each briefing session;

(b) All correspondence and documentation in relation to the briefing session must be maintained as part of the procurement documentation.

67. Acceptance of offers

(1) At the invitation of bids, or quotations;

(a) the municipality is not obliged to accept the lowest or any offer;

(b) The municipality may, where an offer relates to more than one item, accept such offer in respect of or any specific item or items.

(c) The municipality may accept any offer notwithstanding the fact that the offer does not comply with the bid invitation in respect of which the offer has been made subject to the conditions of paragraph 63 of this policy.

68. Commencement

This Policy takes effect on 1 July 2017

ANNEXURE A

WITZENBERG MUNICIPALITY

CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT PRACTITIONERS AND OTHER ROLE PLAYERS

The **purpose** of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

The municipality commits itself to a policy of fair dealing and integrity in the conducting of its business. Officials and other role players involved in supply chain management (SCM) are in a position of trust, implying a duty to act in the public interest. Officials and other role players should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.

Officials and other role players involved in SCM should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation, policies and guidelines. They should ensure that public resources are administered responsibly.

Officials and other role players involved in SCM should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

2. Conflict of interest

An official or other role player involved with supply chain management –

(a) must treat all providers and potential providers equitably;

(b) may not use his or her position for private gain or to improperly benefit another person;

(c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;

(d) must declare to the accounting officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;

(e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the municipality;

(f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;

(g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;

(h) should not place him/herself under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties; and

(i) Should not take improper advantage of their previous office after leaving their official position.

3. Accountability

Practitioners are accountable for their decisions and actions to the public.
Practitioners should use public property scrupulously.
Only accounting officers or their delegates have the authority to commit the municipality to any transaction for the procurement of goods and / or services.

All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.

Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.

Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including:

(i) Any alleged fraud, corruption, favouritism or unfair conduct;

(ii) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and

(iii) Any alleged breach of this code of conduct.

Any declarations made must be recorded in a register which the accounting officer must keep for this purpose. Any declarations made by the accounting officer must be made to the **Mayor** who must ensure that such declaration is recorded in the register.

4. Openness

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5. Confidentiality

Any information that is the property of the municipality or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractors personal rights.

Matters of confidential nature in the possession of officials and other role players involved in SCM should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions also apply to officials and other role players involved in SCM after separation from service**.**

6. Bid Specification / Evaluation / Adjudication Committees

Bid specification, evaluation and adjudication committees should implement supply chain management on behalf of the municipality in an honest, fair, impartial, transparent, cost-effective and accountable manner.

Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.

All members of bid adjudication committees should be cleared by the accounting officer at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.

No person should-

(i) Interfere with the supply chain management system of the municipality; or

(ii) Amend or tamper with any price quotation / bid after its submission.

7. Combative Practices

Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

(i) Suggestions to fictitious lower quotations;

(ii) Reference to non-existent competition;

(iii) Exploiting errors in price quotations / bids;

(iv) Soliciting price quotations / bids from bidders / contractors whose names appear on the Register for Tender Defaulters.

ANNEXURE B

Witzenberg Municipality's Supply Chain Management: Supplier's Code of Conduct

The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

WM is committed to high standards of business ethics and integrity as reflected in this WM Code of Conduct. WM expects all of its suppliers to adhere to similar good working standards and business ethics. The Supplier is expected to comply with the requirements set out in this WM Supplier Code of Conduct. In addition, WM and the Supplier may agree on further standards in supply agreements.

1. Human Rights

This Bill of Rights, as enshrined in Constitution Act 108 of 1996, is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom. The Constitution obliges municipalities to respect, protect, promote and fulfill the rights in the Bill of rights. To this end, when service providers provide services to and on behalf of the WM they are also oblige to respect, protect, promote and fulfill the rights in the Bill of rights insofar as it is relevant to their business.

In accordance with the aforementioned ethics and standards, WM require the following business practices from Suppliers:

- To not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.
- To respect the right of everyone to inherent dignity and the right to have their dignity respected and protected.
- To respect the right of every person not to be subjected to slavery, servitude or forced labour.

- To respect everyone's right to freedom of conscience, religion, thought, belief and opinion.

2. Fair Labour Conditions and Child Labour

The Supplier will ensure fair labour conditions. In particular, the supplier will:

- refrain from employment discrimination based on gender, colour, ethnicity, religion, disability, union membership, political affiliation or sexual orientation;
- respect the rights of employees to freely associate and bargain collectively;
- comply with all applicable laws on employment and in particular the Basic Conditions of Employment Act 75 of 1997 and the Labour relations Act 66 of 1995.
- not use any forced or compulsory labour or involuntary prison labor and give all employees the choice to leave their employment freely upon reasonable notice;
- compensate employees fairly and adhere to the Basic Conditions of Employment Act 75 of 1997, sector specific minimum wages and / or collective agreements and where these do not exist, compensate employees so they can at the least meet their basic needs; and
- The Supplier will protect children from exploitative labour practices and in particular they will not require or permit children to perform work or provide services that-
  - are inappropriate for a person of that child's age; or
  - place at risk the child's well-being, education, physical or mental health or spiritual, moral or social development;

3. Occupational Health and Safety

The Supplier will strive to provide a safe and healthy workplace for all of its employees and strive to adhere to the requirements of Occupational Health and Safety Act 85 of 1993.

4. Environmental Responsibility

The Supplier is committed to environmental protection and will conduct its business in an environmentally sensitive way.

5. Business Ethics

The Supplier will conduct its business in an ethical manner in accordance with all applicable rules and regulations. In particular, the Supplier will

- refrain from any and all forms of extortion and bribery;
- adhere to anti-trust and other competition laws, e.g. not participating in price fixing or bid-rigging; and
- disclose to WM information about any principal shareholder, directors in the service of the state
- The Supplier will protect all confidential information provided by WM and its respective business partners.

6. Conflict of Interest

The Supplier must disclose to WM information about conflict of interest of any WM employee, or close family member of an employee that have an interest in any of the Supplier's business.

Suppliers must not use their position for private gain or to improperly benefit any person or company.

Suppliers must not offer any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of a WM employee, irrespective of the value of the gift, reward, favour, hospitality or benefit.

Suppliers must declare to the accounting officer of WM details of any private or business interest which an employee of WM, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by WM;

Suppliers must not place WM employees under any financial or other obligation that might seek to influence WM employees in the performance of their official

duties; and

Suppliers must not take improper advantage of previous WM employees to unfairly benefit the supplier by using the information or knowledge of previous employees of WM after leaving office.

7. Business Continuity Planning

The Supplier shall maintain appropriate insurance and or policies to mitigate exposures to business risk, business threats, terrorism, crime, pandemics, natural disasters and related major accident exposures.

8. Procurement by Supplier

WM expects the Supplier to obtain confirmation from each of its sub-suppliers providing goods or services directly or indirectly to WM that the sub-supplier acts in compliance with this WM Supplier Code of Conduct.

WITZENBERG
Municipality • Munisipaliteit • U Masipala Wasa

SCM POLICY FOR INFRASTRUCTURE PROCUREMENT AND DELIVERY MANAGEMENT

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1 Scope

This policy establishes the *Witzenberg Municipality*'s policy for infrastructure procurement and delivery management in accordance with the provisions of the regulatory frameworks for procurement and supply chain management. It includes the procurement of goods and services necessary for a new facility to be occupied and used as a functional entity

2 Terms, definitions and abbreviations

2.1 Terms and definitions

For the purposes of this document, the definitions and terms given in the standard and the following apply:

accept: receive as adequate, valid, or suitable

agent: person or organization that is not an employee of *Witzenberg Municipality* that acts on the *Witzenberg Municipality*'s behalf in the application of this document

approve: officially agree to

authorised person: the Accounting Officer or chief executive or the appropriately delegated authority to award, cancel, amend, extend or transfer a contract or order

conflict of interest: any situation in which:

a) someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfil his duties impartially,

b) an individual or organization is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or

c) incompatibility or contradictory interests exist between an employee and the organization which employs that employee

contract manager: person responsible for administering a package on behalf of the employer and performing duties relating to the overall management of such contract from the implementer's point of view

family member: a person's spouse, whether in a marriage or in a customary union according to indigenous law, domestic partner in a civil union, or child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption

framework agreement: an agreement between an organ of state and one or more contractors, the purpose of which is to establish the terms governing orders to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged

gate: a control point at the end of a process where a decision is required before proceeding to the next process or activity

gateway review: an independent review of the available information at a gate upon which a decision to proceed or not to the next process is based

gratification: an inducement to perform an improper act

infrastructure delivery: the combination of all planning, technical, administrative and managerial actions associated with the construction, supply, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure

infrastructure procurement: the procurement of goods or services including any combination thereof associated with the acquisition, renovation, rehabilitation, alteration, maintenance, operation or disposal of infrastructure with an estimated value of one million Rand or more.

maintenance: the combination of all technical and associated administrative actions during an item's service life to retain it in a state in which it can satisfactorily perform its required function

operation: combination of all technical, administrative and managerial actions, other than maintenance actions, that results in the item being in use

order: an instruction to provide goods, services or any combination thereof under a framework agreement

organ of state: an organ of state as defined in section 239 of the Constitution of the Republic of South Africa

procurement document: documentation used to initiate or conclude (or both) a contract or the issuing of an order

principal: a natural person who is a partner in a partnership, a sole proprietor, a director a company established in terms of the Companies Act of 2008 (Act No. 71 of 2008) or a member of a close corporation registered in terms of the Close Corporation Act, 1984, (Act No. 69 of 1984)

standard: the latest edition of the Standard for Infrastructure Procurement and Delivery Management as published by National Treasury

working day: any day of a week on which is not a Sunday, Saturday or public holiday

2.2 Abbreviations

For the purposes of this document, the following abbreviations apply

CIDB: Construction Industry Development Board

SARS: South African Revenue Services

3 General requirements

3.1 Delegations

3.1.1 The *council* of *Witzenberg Municipality* hereby delegates all powers and duties which are necessary to enable the *Accounting Officer* to:

a) discharge the supply chain management responsibilities conferred on accounting officers in terms of Chapter 8 or 10 of the Local Government Municipal Finance Management Act of 2003 and this document;

b) maximise administrative and operational efficiency in the implementation of this document;

c) enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this document; and

d) comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Local Government Municipal Finance Management Act of 2003 Act.

e) The Accounting Officer may in terms of section 79 or 106 of the Act sub delegate any supply chain management powers and duties.

3.1.2 No departure shall be made from the provisions of this policy without the approval of the Accounting Officer of Witzenberg Municipality.

3.1.3 The *Accounting Officer* shall for oversight purposes:

Within 60 days of the end of each financial year, submit a report on the implementation of this policy, to the council of the *Witzenberg Municipality.*

3.2 Objections and complaints

Will be dealt with in terms of the stipulations of the Supply Chain Policy of Witzenberg Municipality.

3.3 Resolution of disputes, objections, complaints and queries

Will be dealt with in terms of the stipulations of the Supply Chain Policy of Witzenberg Municipality.

4 Control framework for infrastructure delivery management

4.1 Assignment of responsibilities for approving or accepting end of stage deliverables

The responsibilities for approving or accepting end of stage deliverables shall be as stated in Table 1.

Table 1: Responsibilities for approving or accepting end of stage deliverables in the control framework for the management of infrastructure delivery

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value
No	Name			
0	Project initiation	An initiation report which outlines the high-level business case together with the estimated project cost and proposed schedule for a single project or a group of projects having a similar high-level scope		
		Accept: Relevant Director	Approved IDP	All
		Recommend: Municipal Manager		
		Council approves 5 year IDP		
1	Infrastructure planning	An infrastructure plan which identifies and prioritizes projects and packages against a forecasted budget over a period of at least three years		
		Accept: Relevant Director	Approved Budget	All
		Recommend: Municipal Manager		
		Council approves budget for MTREF		

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value
No	Name			
2	Strategic resourcing	A delivery and/or procurement strategy which, for a portfolio of projects, identifies the delivery strategy in respect of each project or package and, where needs are met through own procurement system, a procurement strategy		
		Accept: Relevant Manager	Procurement Strategy / Plan	All
		Recommend : Relevant Director		
		Accounting Officer approves the Procurement Strategy / Plan		
3	Pre-feasibility	A prefeasibility report which determines whether or not it is worthwhile to proceed to the feasibility stage		
		Accept: Service Provider	Approved pre-feasibility report	Projects Above R 1 Million
		Recommend: Relevant Manager		
		Relevant Director approves the pre-feasibility report		
	Preparation and briefing (Inception)	A strategic brief which defines project objectives, needs, acceptance criteria and client priorities and aspirations, and which sets out the basis for the development of the concept report for one or more packages		
		Accept: Service Provider	Approved Inception Report	Projects Above R 1 Million
		Recommend: Relevant Manager		
		Relevant Director approves the pre-feasibility report		
4	Feasibility	A feasibility report which presents sufficient information to determine whether or not the project should be implemented		
		Accept: Service Provider	Approved Feasibility Report	Projects Above R 1 Million
		Recommend: Relevant Manager		
		Relevant Director approves the feasibility report		
	Concept and viability (Preliminary Design)	A concept report which establishes the detailed brief, scope, scale, form and control budget, and sets out the integrated concept for one or more packages		
		Accept: Service Provider	Approved Concept and viability report	Projects Above R 1 Million
		Recommend: Relevant Manager		
		Relevant Director approves the Concept and viability report		

Stage			Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value
No	Name				
	Gateway review		An independent review of the available information at a gate upon which a decision to proceed or not to the next process is based		
			Accept: Review team (not less than three people) is led by a professional engineer, professional quantity surveyor or professional architect.	Approved Concept and viability report	Projects Above R 50 Million
			Recommend: Relevant Manager		
			Relevant Director approves the Gateway review		
5	Design development (Detailed Design)		A design development report which develops in detail the approved concept to finalize the design and definition criteria, sets out the integrated developed design, and contains the cost plan and schedule for one or more packages		
			Accept: Service Provider	Approved Detailed Design	Projects above R 200 000
			Recommend: Relevant Manager		
			Relevant Director approves the Detailed Design		
6	Design documentation (& Procurement)	6A Production information	Production information which provides the detailing, performance definition, specification, sizing and positioning of all systems and components enabling either construction (where the constructor is able to build directly from the information prepared) or the production of manufacturing and installation information for construction		
			Accept: Relevant Manager	Approved bid Document	Projects above R 200 000
			Recommend: Bid specification committee		
			Relevant Director approves the Bid document		
		6B Manufacture, fabrication and construction information	Manufacture, fabrication and construction information produced by or on behalf of the constructor, based on the production information provided for a package which enables manufacture, fabrication or construction to take place		
			Accept: Relevant Manager	Contract Award Approved Order	All
			Recommend: Bid evaluation committee		
			Bid adjudication committee approves the bid		Projects below R 10 million
			The accounting officer approves the bid		Projects above R 10 million

Stage		Person assigned the responsibility for approving or accepting end of stage deliverables	Output	Project Value
No	Name			
7	Works (Contract Administration & Inspection)	The relevant manager / consulting engineer manages the contract in terms of contract conditions		
		Accept: relevant manager / consulting engineer	Minutes of site meetings, progress payment certificates and Contract Correspondence	All
		Recommend: relevant manager		
		Relevant director approves		
8	Handover	Works which have been taken over by the municipality, complete with record information		
		Accept: relevant manager / consulting engineer	Practical completion certificate & project unbundling information	All
		Recommend: relevant manager		
		Relevant director approves		
9	Package completion (Close Out)	Works with notified defects corrected, final account settled and the close out report issued		
		Accept: relevant manager / consulting engineer	Final completion certificate	All
		Recommend: relevant manager		
		Relevant director approves		

4.2 Gateway reviews

4.2.1 All major capital projects having an estimated capital expenditure equal to or fifty million rand shall have a gateway review of the end-of-stage 4 deliverable, prior to the acceptance of such deliverable. The review shall be initiated by the organ of state which intends implementing the project. The focus of such a review shall in the first instance be on the quality of the documentation, and thereafter on:
a) deliverability (the extent to which a project is deemed likely to deliver the expected benefits within the declared cost, time and performance envelope);
b) affordability (the extent to which the level of expenditure and financial risk involved in a project can be taken up on, given the organisation's overall financial position, both singly and in the light of its other current and projected commitments); and
a) value for money.

4.2.2 A gateway review team shall comprise not less than three persons who are not involved in the project associated with the works covered by the end of the stage 4 deliverable, and who are familiar with various aspects of the subject matter of the deliverable at the end of the stage under review. Such a team shall be led by a person who has at least six years postgraduate experience in the planning of infrastructure projects and is registered either as a professional engineer in terms of the Engineering Profession Act, a professional quantity surveyor in terms of the Quantity Surveying Profession Act or a professional architect in terms of the Architectural Profession Act. The members of the team shall, as relevant, have expertise in key technical areas, cost estimating, scheduling and implementation of similar projects.

4.2.3 The relevant treasury shall be notified of a proposed gateway review for a major capital project, three weeks prior to the conducting of such a review. Such notification shall be accompanied by a brief outline of the proposed project or package, the names and qualifications of the reviewers and the timeframes for the review. The relevant treasury may nominate additional persons to serve on the review team.

4.2.4 The gateway review team shall base its findings primarily on:
a) the information contained in the end-of-stage deliverables;
b) supplementary documentation, if any, provided by key staff obtained during an interview process; and
c) interviews with key staff members and stakeholders.

4.2.5 The gateway review team shall issue a report at the conclusion of a gateway review which indicates the team's assessment of the information at the end of a stage and provides findings or recommendations on areas where further work may be undertaken to improve such information.

4.2.6 Aspects in the report shall be flagged as being:
a) code red: team considers the aspect to pose a significant risk to the project or package;
b) code amber: team considers the aspects which indicate a minor risk to the project or package; or
c) code green: team considers the aspect to have been given adequate consideration to the extent that it is unlikely to jeopardise the success of progressing to the next stage, or minor adjustments may be required before proceeding.

4.2.7 The contents of the gateway review report shall be taken into account when accepting the stage 4 deliverable. A stage 4 deliverable shall not be accepted until such time that all code red risks have been addressed in the stage 4 end-of-stage deliverable.

5 Control framework for infrastructure procurement

5.1 The responsibilities for taking the key actions associated with the formation and conclusion of contracts including framework agreements above the quotation threshold shall be as stated in Table 2.

5.2 The responsibilities for taking the key actions associated with the quotation procedure and the negotiation procedure where the value of the contract is less than the threshold set for the quotation procedure shall be as follows:

a) Bid Specification Committee shall grant approval for the issuing of the procurement documents, based on the contents of a documentation review report developed in accordance with the provisions of the standard;

b) the authorised person may award the contract if satisfied with the recommendations contained in the evaluation report prepared in accordance with the provisions of the standard.

5.3 The responsibilities for taking the key actions associated with the issuing of an order in terms of a framework agreement shall be as stated in Table 3.

6 Infrastructure delivery management requirements

6.1 Institutional arrangements

6.1.1 Committee system for procurement

6.1.1.1 General

6.1.1.1.1 A committee system comprising the Bid Specification Committee, Bid evaluation committee and Bid Adjudication committee shall be applied to all procurement procedures where the estimated value of the procurement exceeds the financial threshold for quotations and to the putting in place of framework agreements.

6.1.1.1.2 The Bid evaluation committee shall, where competition for the issuing of an order amongst framework contractors takes place and the value of the order exceeds the financial threshold for quotations, evaluate the quotations received.

6.1.1.1.3 The persons appoint in writing as technical advisors and subject matter experts may attend any committee meeting.

6.1.1.1.4 No person who is a political officer bearer, a public office bearer including any councilor of a municipality, a political advisor or a person appointed in terms of section 12A of the Public Service Act of 1994 or who has a conflict of interest shall be appointed to a bid specification, bid evaluation or bid adjudication committee.

6.1.1.1.5 Committee decisions shall as far as possible be based on the consensus principle i.e. the general agreement characterised by the lack of sustained opposition to substantial issues. Committees shall record their decisions in writing. Such decisions shall be kept in a secured environment for a period of not less than five years after the completion or cancellation of the contract unless otherwise determined in terms of the National Archives and Record Services Act of 1996.

6.1.1.1.6 Committees may make decisions at meetings or, subject to the committee chairperson's approval, on the basis of responses to documents circulated to committee members provided that not less than sixty percent of the members are present or respond to the request for responses. Where the committee chairperson is absent from the meeting, the members of the committee who are present shall elect a chairperson from one of them to preside at the meeting.

6.1.1.2 Bid Specification committee

6.1.1.2.1 The *Accounting Officer* shall appoint in writing on a procurement by procurement basis:

a) the members of the bid specification committee.

6.1.1.2.2 The Bid Specification Committee shall comprise one or more persons. The chairperson shall be an employee of *Witzenberg Municipality* with requisite skills. Other members shall, where relevant, include a representative of the end user or the department requiring infrastructure delivery.

6.1.1.2.3 No member of, or technical adviser or subject matter expert who participates in the work of the any of the procurement committees or a family member or associate of such a member, may tender for any work associated with the tender which is considered by these committees.

Table 2: Procurement activities and gates associated with the formation and conclusion of contracts above the quotation threshold

Activity		Sub-Activity (see Table 3 of the standard)		Key action	Person assigned responsibility to perform key action
1*	Establish what is to be procured	1.3 PG1	Obtain permission to start with the procurement process	Make a decision to proceed / not to proceed with the procurement based on the broad scope of work and the financial estimates.	Council (BUDGET APPROVAL) Relevant Manager
2*	Decide on procurement strategy	2.5 PG2	Obtain approval for procurement strategies that are to be adopted including specific approvals to approach a confined market or the use of the negotiation procedure	Confirm selection of strategies so that tender offers can be solicited	Relevant director
3	Solicit tender offers	3.2 PG3	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	Procurement documentation committee BSC and relevant director
		3.3 PG4	Confirm that budgets are in place	Confirm that finance is available for the procurement to take place	CFO (BSC)
4	Evaluate tender offers	4.2 PG5	Obtain authorisation to proceed with next phase of tender process in the qualified, proposal or competitive negotiations procedure	Review evaluation report, ratify recommendations and authorise progression to the next stage of the tender process	Director (BEC)
		4.7 PG6	Confirm recommendations contained in the tender evaluation report	Review recommendations of the evaluation committee and refer back to evaluation committee for reconsideration or make recommendation for award	Tender committee BAC, Accounting Officer
5	Award contract	5.3 PG7	Award contract	Formally accept the tender offer in writing and issue the contractor with a signed copy of the contract	Accounting Officer
		5.5 GF1	Upload data in financial management and payment system	Verify data and upload contractor's particulars and data associated with the contract or order	CFO or delegate.

* Applies only to goods and services not addressed in a procurement strategy developed during stage 2 (strategic resourcing) of the control framework for infrastructure delivery management

Table 2 (continued)

Activity		Sub-Activity		Key action	Person assigned responsibility to perform key action
6	Administer contracts and confirm compliance with requirements	6.4 PG8A	Obtain approval to waive penalties or low performance damages.	Approve waiver of penalties or low performance damages	Director
		6.5 PG8B	Obtain approval to notify and refer a dispute to an adjudicator	Grant permission for the referral of a dispute to an adjudicator or for final settlement to an arbitrator or court of law	Director
		6.6 PG8C	Obtain approval to increase the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at the award of a contract or the issuing of an order up to a specified percentage	Approve amount of time and cost overruns up to the threshold	Director
		6.7 PG8D	Obtain approval to exceed the total of prices, excluding contingencies and price adjustment for inflation, or the time for completion at award of a contract or the issuing of an order by more than 20% and 30%, respectively	Approve amount of time and cost overruns above a the threshold	Accounting Officer
		6.8 PG8E	Obtain approval to cancel or terminate a contract	Approve amount	Accounting Officer
		6.9 PG8F	Obtain approval to amend a contract	Approve proposed amendment to contract	Accounting Officer

Table 3: Procurement activities and gates associated with the issuing of an order above the quotation threshold in terms of a framework agreement

Activity		Key action	Person assigned responsibility to perform key action
1 FG1	Confirm justifiable reasons for selecting a framework contactor where there is more than one framework agreement covering the same scope of work	Confirm reasons submitted for not requiring competition amongst framework contractors or instruct that quotations be invited	*Relevant director or manager*
3 FG2	Obtain approval for procurement documents	Grant approval for the issuing of the procurement documents	*BSC*
4 FG3	Confirm that budgets are in place	Confirm that finance is available so that the order may be issued	*Relevant director or manager / Approved budget*
6 FG4	Authorise the issuing of the order	If applicable, review evaluation report and confirm or reject recommendations. Formally accept the offer in writing and issue the contractor with a signed copy of the order	*BAC*

6.1.1.3 Evaluation committee

6.1.1.3.1 The *Accounting Officer* shall appoint on a procurement by procurement basis in writing:

a) the members of the bid evaluation committee.

6.1.1.3.2 The bid evaluation committee shall comprise not less than three people. The chairperson shall be an employee of *Witzenberg Municipality* with requisite skills. Other members shall include a supply chain management practitioner and, where relevant, include an official from the department requiring infrastructure delivery.

6.1.1.3.3 The bid evaluation committee shall review the evaluation reports prepared in accordance with sub clause 4.2.3 of the standard and as a minimum verify the following in respect of the recommended tenderer:

a) the capability and capacity of a tenderer to perform the contract;

b) the tenderer's tax and municipal rates and taxes compliance status;

b) confirm that the tenderer's municipal rates and taxes and municipal service charges are not in arrears;

d) the Compulsory Declaration has been completed; and

e) the tenderer is not listed in the National Treasury's Register for Tender Defaulters or the List of Restricted Suppliers.

6.1.1.3.4 No tender submitted by a member of, or technical adviser or subject matter expert who participates in the work of the procurement documentation committee or a family member or associate of such a member, may be considered by the evaluation committee.

6.1.1.3.5 The chairperson of the evaluation committee shall promptly notify the *Accounting Officer* of any respondent or tenderer who is disqualified for having engaged in fraudulent or corrupt practices during the tender process.

6.1.1.4 Bid Adjudication Committee

6.1.1.4.1 The tender committee shall comprise the following persons or their mandated delegate:

a) *Chief financial officer* who shall be the chairperson:

b) *Director Technical Services*

c) *Director Community Services*

d) Director Corporate services

e) Manager Supply Chain

6.1.1.4.2 No member of the evaluation committee may serve on the bid adjudication committee. A member of an evaluation committee may, however, participate in the deliberations of a Bid Adjudication committee as a technical advisor or a subject matter expert.

6.1.1.4.3 The Bid Adjudication committee shall:

a) consider the report and recommendations of the evaluation committee and:

1) verify that the procurement process which was followed complies with the provisions of this document;

2) confirm that the report is complete and addresses all considerations necessary to make a recommendation;

3) confirm the validity and reasonableness of reasons provided for the elimination of tenderers; and

4) consider commercial risks and identify any risks that have been overlooked or fall outside of the scope of the report which warrant investigation prior to taking a final decision; and

b) refer the report back to the evaluation committee for their reconsideration, make a reward for bids below R 10 000 000 or make a recommendation to the accounting officer on the award of a tender, with or without conditions, together with reasons for such recommendation for bids above R 10 000 000.

6.1.1.4.4 The Bid Adjudication committee shall consider proposals regarding the cancellation, amendment, extension or transfer of contracts that have been awarded and make a recommendation to the Municipal Manager on the course of action which should be taken.

6.1.1.4.5 The Bid Adjudication committee shall consider the merits of an unsolicited offer and make a recommendation to the Accounting Officer.

6.1.1.4.6 The Bid Adjudication committee shall report to the *Accounting Officer* any recommendation made to award a contract to a tenderer other than the tenderer recommended by the evaluation committee, giving reasons for making such a recommendation.

6.1.1.4.7 The Bid Adjudication committee shall not make a recommendation for an award of a contract or order if the recommended tenderer or framework contractor has:

a) made a misrepresentation or submitted false documents in competing for the contract or order; or

b) been convicted of a corrupt or fraudulent act in competing for any contract during the past five years.

6.1.1.4.8 The Bid Adjudication committee may on justifiable grounds and after following due process, disregard the submission of any tenderer if that tenderer or any of its directors, members or trustees or partners has abused the delivery management system or has committed fraud, corruption or any other improper conduct in relation to such system. The National Treasury and the *Western Cape Treasury* shall be informed where such tenderers are disregarded.

6.1.2 Actions of the accounting officer relating to the award of a contract or an order

6.1.2.1 Award of a contract

6.1.2.1 The accounting officer shall, consider the report(s) and recommendations of the Bid Adjudication committee, and either:

a) award the contract after confirming that the report is complete and addresses all considerations necessary to make a recommendation and budgetary provisions are in place; or

b) decide not to proceed or to start afresh with the process.

6.1.3 Conduct of those engaged in infrastructure delivery

6.1.3.1 General requirements

6.1.3.1.1 All personnel and agents of *Witzenberg Municipality* shall comply with the requirements of the CIDB Code of Conduct for all Parties engaged in Construction Procurement. They shall:

a) behave equitably, honestly and transparently;

b) discharge duties and obligations timeously and with integrity;

c) comply with all applicable legislation and associated regulations;

d) satisfy all relevant requirements established in procurement documents;

e) avoid conflicts of interest; and

f) not maliciously or recklessly injure or attempt to injure the reputation of another party.

6.1.3.1.2 All personnel and agents engaged in *Witzenberg Municipality*'s infrastructure delivery management system shall:

a) not perform any duties to unlawfully gain any form of compensation, payment or gratification from any person for themselves or a family member or an associate;

b) perform their duties efficiently, effectively and with integrity and may not use their position for private gain or to improperly benefit another person;

c) strive to be familiar with and abide by all statutory and other instructions applicable to their duties;

d) furnish information in the course of their duties that is complete, true and fair and not intended to mislead;

e) ensure that resources are administered responsibly;

f) be fair and impartial in the performance of their functions;

g) at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual;

h) not abuse the power vested in them;

i) not place themselves under any financial or other obligation to external individuals or firms that might seek to influence them in the performance of their duties;

j) assist *Witzenberg Municipality* in combating corruption and fraud within the infrastructure procurement and delivery management system;

k) not disclose information obtained in connection with a project except when necessary to carry out assigned duties;

l) not make false or misleading entries in reports or accounting systems; and

m) keep matters of a confidential nature in their possession confidential unless legislation, the performance of duty or the provision of the law require otherwise.

6.1.3.1.2 An employee or agent may not amend or tamper with any submission, tender or contract in any manner whatsoever.

6.1.3.2 Conflicts of interest

6.1.3.2.1 The employees and agents of *Witzenberg Municipality* who are connected in any way to procurement and delivery management activities which are subject to this policy, shall:

a) disclose in writing to the employee of the *Witzenberg Municipality* to whom they report, or to the person responsible for managing their contract, if they have, or a family member or associate has, any conflicts of interest; and

b) not participate in any activities that might lead to the disclosure of *Witzenberg Municipality* proprietary information.

6.1.3.2.2 The employees and agents of *Witzenberg Municipality* shall declare and address any perceived or known conflict of interest, indicating the nature of such conflict to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to a procurement process or as soon as they become aware of such conflict, and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

6.1.3.2.3 Agents who prepare a part of a procurement document may in exceptional circumstances, where it is in *Witzenberg Municipality*'s interest to do so, submit a tender for work associated with such documents provided that:

a) *Witzenberg Municipality* states in the tender data that such an agent is a potential tenderer;

b) all the information which was made available to, and the advice provided by that agent which is relevant to the tender, is equally made available to all potential tenderers upon request, if not already included in the scope of work; and

c) the procurement documentation committee is satisfied that the procurement document is objective and unbiased having regard to the role and recommendations of that agent.

6.1.3.3 Evaluation of submissions received from respondents and tenderers

6.1.3.3.1 The confidentiality of the outcome of the processes associated with the calling for expressions of interest, quotations or tenders shall be preserved. Those engaged in the evaluation process shall:

a) not have any conflict between their duties as an employee or an agent and their private interest;

b) may not be influenced by a gift or consideration (including acceptance of hospitality) to show favour or disfavour to any person;

c) deal with respondents and tenderers in an equitable and even-handed manner at all times; and

d) not use any confidential information obtained for personal gain and may not discuss with, or disclose to outsiders, prices which have been quoted or charged to *Witzenberg Municipality.*

6.1.3.3.2 The evaluation process shall be free of conflicts of interest and any perception of bias. Any connections between the employees and agents of *Witzenberg Municipality* and a tenderer or respondent shall be disclosed and recorded in the tender evaluation report.

6.1.3.3.3 *Witzenberg Municipality* personnel and their agents shall immediately withdraw from participating in any manner whatsoever in a procurement process in which they, or any close family member, partner or associate, has any private or business interest.

6.1.3.4 Non-disclosure agreements

Confidentiality agreements in the form of non-disclosure agreements shall, where appropriate, be entered into with agents and potential contractors to protect *Witzenberg Municipality*'s confidential information and interests.

6.1.3.5 Gratifications, hospitality and gifts

6.1.3.5.1 The employees and agents of *Witzenberg Municipality* shall not, directly or indirectly, accept or agree or offer to accept any gratification from any other person including a commission, whether for the benefit of themselves or for the benefit of another person, as an inducement to improperly influence in any way a procurement process, procedure or decision.

6.1.3.5.2 The employees and agents of *Witzenberg Municipality* as well as their family members of associates shall not receive any of the following from any tenderer, respondent or contractor or any potential contractor:

a) money, loans, equity, personal favours, benefits or services;

b) overseas trips; or

c) any gifts or hospitality irrespective of value from tenderers or respondents prior to the conclusion of the processes associated with a call for an expression of interest or a tender.

6.1.3.5.3 The employees and agents of *Witzenberg Municipality* shall not purchase any items at artificially low prices from any tenderer, respondent or contractor or any potential contractor at artificially low prices which are not available to the public.

6.1.3.5.4 All employees and agents of *Witzenberg Municipality* may for the purpose of fostering inter-personal business relations accept the following:

a) meals and entertainment, but excluding the cost of transport and accommodation;

b) promotional material of small intrinsic value such as pens, paper-knives, diaries, calendars, etc;

c) incidental business hospitality such as business lunches or dinners, which the employee is prepared to reciprocate;

d) complimentary tickets to sports meetings and other public events, but excluding the cost of transport and accommodation, provided that such tickets are not of a recurrent nature; and

e) gifts in kind other than those listed in a) to d) which have an intrinsic value greater than R350, they must declare these gifts to the *Accounting Officer*.

6.1.3.5.5 Under no circumstances shall gifts be accepted from prospective contractors during the evaluation of calls for expressions of interest, quotations or tenders that could be perceived as undue and improper influence of such processes.

6.1.3.5.6 Employees and agents of *Witzenberg Municipality* shall without delay report to the *Accounting Officer* any incidences of a respondent, tenderer or contractor who directly or indirectly offers a gratification to them or any other person to improperly influence in any way a procurement process, procedure or decision.

6.1.3.6 Reporting of breaches

Employees and agents of *Witzenberg Municipality* shall promptly report to the *Accounting Officer* any alleged improper conduct which they may become aware of, including any alleged fraud or corruption.

6.1.4 Measures to prevent abuse of the infrastructure delivery system

The *Accounting Officer* shall investigate all allegations of corruption, improper conduct or failure to comply with the requirements of this policy against an employee or an agent, a contractor or other role player and, where justified:

a) take steps against an employee or role player and inform the National Treasury and *Western Cape Treasury* of those steps;

b) report to the South African Police Service any conduct that may constitute a criminal offence;

c) lodge complaints with the Construction Industry Development Board or any other relevant statutory council where a breach of such council's code of conduct or rules of conduct are considered to have been breached;

d) cancel a contract if:

   1) it comes to light that the contractor has made a misrepresentation, submitted falsified documents or has been convicted of a corrupt or fraudulent act in competing for a particular contract or during the execution of that contract; or

   2) an employee or other role player committed any corrupt or fraudulent act during the tender process or during the execution of that contract.

6.1.5 Awards to persons in the service of the state

6.1.5.1 Any submissions made by a respondent or tenderer who declares in the Compulsory Declaration that a principal is one of the following shall be rejected:

a) a member of any municipal council, any provincial legislature, or the National Assembly or the National Council of Provinces;

b) a member of the council of any municipal entity;

c) an official of any municipality or municipal entity;

d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

e) a member of the accounting authority of any national or provincial public entity; or

f) an employee of Parliament or a provincial legislature.

6.1.5.2 The notes to the annual financial statements of the *Witzenberg Municipality* shall disclose particulars of an award of more than R 2 000 to a person who is a family member of a person identified in 6.1.5.1 or who has been in the previous 12 months. Such notes shall include the name of the person, the capacity in which such person served and the amount of the award.

6.1.6 Collusive tendering

Any submissions made by a respondent or tenderer who fails to declare in the Compulsory Declaration that the tendering entity:

a) is not associated, linked or involved with any other tendering entity submitting tender offers; or

b) has not engaged in any prohibited restrictive horizontal practices including consultation, communication, agreement, or arrangement with any competing or potential tendering entity regarding prices, geographical areas in which goods and services will be rendered, approaches to determining prices or pricing parameters, intentions to submit a tender or not, the content of the submission (specification, timing, conditions of contract etc.) or intention to not win a tender shall be rejected.

6.1.7 Placing of contractors under restrictions

6.1.7.1 If any tenderer which has submitted a tender offer or a contractor which has concluded a contract has, as relevant:

a) withdrawn such tender or quotation after the advertised closing date and time for the receipt of submissions;

b) after having been notified of the acceptance of his tender, failed or refused to commence the contract;

c) had their contract terminated for reasons within their control without reasonable cause;

d) offered, promised or given a bribe in relation to the obtaining or the execution of such contract;

e) acted in a fraudulent, collusive or anti-competitive or improper manner or in bad faith towards *Witzenberg Municipality*; or

f) made any incorrect statement in any affidavit or declaration with regard to a preference claimed and is unable to prove to the satisfaction of *Witzenberg Municipality* that the statement was made in good faith or reasonable steps were taken to confirm the correctness of the statements,

The relevant manager shall prepare a report on the matter and make a recommendation to the *Accounting Officer* for placing the contractor or any of its principals under restrictions from doing business with the *Witzenberg Municipality*.

6.1.7.2 The *Accounting Officer* may, as appropriate, upon the receipt of a recommendation made in terms of 6.1.7.1 and after notifying the contractor of such intention in writing and giving written reasons for such action, suspend a contractor or any principal of that contractor from submitting a tender offer to *[name of municipality or municipal entity* for a period of time.

6.1.7.3 The relevant manager shall:

a) record the names of those placed under restrictions in an internal register which shall be accessible to employees and agents of *Witzenberg Municipality* who are engaged in procurement processes; and

b) notify the National Treasury and relevant Provincial *Treasury* and , if relevant, the Construction Industry Development Board, of such decision and provide them with the details associated therewith.

6.1.8 Complaints

6.1.8.1 All complaints regarding the *Witzenberg Municipality*'s infrastructure delivery management system shall be addressed to the Accounting officer. Such complaints shall be in writing.

6.1.8.2 The Accounting officer shall investigate all complaints regarding the infrastructure procurement and delivery management system and who will decide on what action to take.

6.2 Acquisition management

6.2.1 Unsolicited proposal

6.2.1.1 The *Witzenberg Municipality* is not obliged to consider unsolicited offers received outside a normal procurement process but may consider such an offer only if:

a) the goods, services or any combination thereof that is offered is a demonstrably or proven unique innovative concept;

b) proof of ownership of design, manufacturing, intellectual property, copyright or any other proprietary right of ownership or entitlement is vested in the person who made the offer;

c) the offer presents a value proposition which demonstrates a clear, measurable and foreseeable benefit for *Witzenberg Municipality*;

d) the offer is in writing and clearly sets out the proposed cost;

e) the person who made the offer is the sole provider of the goods or service; and

f) the *Accounting Officer* finds the reasons for not going through a normal tender processes to be sound.

6.2.1.2 The *Accounting Officer* may only accept an unsolicited offer and enter into a contract after considering the recommendations of the tender committee if:

a) the intention to consider an unsolicited proposal has been made known in accordance with Section 21A of the Municipal Systems Act of 2000 together with the reasons why such a proposal should not be open to other competitors, an explanation of the potential benefits for the *municipality* and an invitation to the public or other potential suppliers and providers to submit their comments within 30 days after the notice;

b) the *Witzenberg Municipality*' has obtained comments and recommendations on the offer from the National Treasury and *Western Cape Treasury*;

c) the Bid Adjudication committee meeting which makes recommendations to accept an unsolicited proposal was open to the public and took into account any public comments that were received and any comments and recommendations received from the National Treasury and *Western Cape Treasury*; and

d) the provisions of 6.2.1.3 are complied with.

6.2.1.3 The *Accounting Officer* shall, within 14 working days after the decision to award the unsolicited offer is taken, submit the reasons for rejecting or not following the recommendations to the National Treasury, the *Western Cape Treasury* and Auditor General. A contract shall in such circumstances not be entered into or signed within 30 days of such submission.

6.2.2 Tax and rates compliance

6.2.2.1 SARS tax clearance

6.2.2.1.1 No contract may be awarded or an order issued where the value of such transaction exceeds R 15 000, unless a tenderer or contractor is in possession of an original valid Tax Clearance Certificate issued by SARS

6.2.2.1.2 In the case of a partnership, each partner shall comply with the requirements of 6.2.2.2.1.

6.2.2.1.3 Notwithstanding the requirements of 6.2.2.1 and 6.2.2.3 the following shall apply, unless a person who is not tax compliant indicates to the Accounting officer that it intends challenging its tax compliance status with SARS,

a) a contract may be awarded to a non-compliant tenderer if such a tenderer is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;

b) an order may be awarded to a non-compliant contractor if such a contractor is able to remedy its tax compliance status within a period not exceeding 10 working days after being duly notified of its non-compliant status;

c) a non-compliant contractor shall be issued with a first warning that payments in future amounts due in terms of the contract may be withheld, before the authorising of any payment due to such contractor;

d) before authorising a further payment due to a non-compliant contractor who has failed to remedy its tax compliance status after receiving a first warning, a second and final warning shall be issued to such contractor;

e) no payments may be released for any amounts due in terms of the contract due to a non-compliant contractor if, after a period of 30 calendar days have lapsed since the second warning was issued, the non-compliant contractor has failed to remedy its tax compliance status.

6.2.2.1.4 The *Witzenberg Municipality* may cancel a contract with a non-compliant contractor if such a contractor fails to remedy its tax compliance status after a period of 30 calendar days have lapsed since the second warning was issued in terms of 6.2.2.1.4e).

6.2.2.2 Municipal rates and taxes

No contract may be awarded to a tenderer who, or the principals of that tenderer, owes municipal rates and taxes or municipal service charges to any municipality or a municipal entity and are in arrears for more than 3 months.

6.2.3 Declarations of interest

Tenders and respondents making submissions in response to an invitation to submit a tender or a call for an expression of interest, respectively shall declare in the Compulsory Declaration whether or not any of the principals:

a) are an employee of the *Witzenberg Municipality* or in the employ of the state; or

b) have a family member or a business relation with a person who is in the employ of the state.

6.2.4 Invitations to submit expressions of interest or tender offers

6.2.4.1 All invitations to submit tenders where the estimated value of the contract exceeds R200 000 including VAT, except where a confined tender process is followed, and expressions of interest shall be advertised on the *Witzenberg Municipality*'s website and on the National Treasury eTender Publication Portal. Advertisements shall be placed by the Supply Chain Management department.

6.2.4.2 Advertisements relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.4.1 be advertised on the CIDB website. Advertisements shall be placed by the Supply Chain Management department.

6.2.4.3 Where deemed appropriate by the Bid Specification Committee an invitation to tender and a call for an expression of interest shall be advertised in suitable local and national newspapers and the Government Tender Bulletin as directed by such person. Advertisements shall be placed by the Supply Chain Management department.

6.2.4.4 Such advertisements shall be advertised for a period of at least 30 days before closure, except in urgent cases when the advertisement period may be shortened as determined by the *Accounting Officer.*

6.2.4.5 Invitations to submit expressions of interest or tender offers shall be issued not less than 10 working days before the closing date for tenders and at least 5 working days before any compulsory clarification meeting. Procurement documents shall be made available not less than 7 days before the closing time for submissions.

6.2.5 Publication of submissions received and the award of contracts

6.2.5.1 The Supply Chain Management department shall publish within 10 working days of the closure of any advertised call for an expression of interest or an invitation to tender where the estimated value of the contract exceeds R200 000 including VAT on the municipality's or municipal entity's website, the names of all tenderers that made submissions to that advertisement, and if practical or applicable, the total of the prices and the preferences claimed. Such information shall remain on the website for at least 30 days.

6.2.5.2 The Supply Chain Management department shall publish within 7 working days of the award of a contract the following on the *Witzenberg Municipality*'s website

a) the contract number;

b) contract title;

c) brief description of the goods, services or works;

d) the total of the prices, if practical;

e) the names of successful tenderers and their B-BBEE status level of contribution;

f) duration of the contract; and

g) brand names, if applicable.

6.2.5.3 the Supply Chain Management department shall submit within 7 working days of the award of a contract the information required by National Treasury on the National Treasury eTender Publication Portal regarding the successful and unsuccessful tenders. Submissions shall be made by the Supply Chain Management department.

6.2.5.4 The award of contracts relating to construction works which are subject to the Construction Industry Development Regulations issued in terms of the Construction Industry Development Act of 2000 shall in addition to the requirements of 6.2.5.3 be notified on the CIDB website. The notification shall be made by placed by the Supply Chain Management department.

6.2.6 Disposal committee

6.2.6.1 The *Accounting Officer* shall appoint on a disposal by disposal basis in writing the members of the disposal committee to decide on how best to undertake disposals in accordance with the provisions of clause 10 of the standard.

6.2.6.2 The disposal panel shall comprise not less than three people. The chairperson shall be an employee of *Witzenberg Municipality.*

6.2.6.3 The disposal committee shall make recommendations to *Accounting Officer* who shall approve the recommendations, refer the disposal strategy back to the disposal committee for their reconsideration, and decide not to proceed or to start afresh with the process.

6.3 Reporting of infrastructure delivery management information

The Manager: Supply Chain Management and relevant technical expert shall submit any reports required in terms of the standard to the National Treasury or *Western Cape Treasury*.

7 Infrastructure procurement

7.2.1 The *Witzenberg Municipality*'s preapproved templates for Part C1 (Agreements and contract data) of procurement documents shall be utilised to obviate the need for legal review prior to the awarding of a contract. All modifications to the standard templates shall be approved by the Accounting Officer prior to being issued for tender purposes.

7.2.2 Disputes arising from the performance of a contract shall be finally settled in a South African court of law.

7.2.3 The Municipal Declaration and returnable documents contained in the standard shall be included in all tenders for:

a) consultancy services; and

b) goods and services or any combination thereof where the total of the prices is expected to exceed R10 m including VAT.

7.3 Payment of contractors

The *Witzenberg Municipality* shall settle all accounts within 30 days of invoice or statement as provided for in the contract.

7.4 Approval to utilise specific procurement procedures

7.4.1 Prior approval shall be obtained for the following procurement procedures from the following persons, unless such a procedure is already provided for in the approved procurement strategy:

a) The Accounting Officer shall authorise the use of the negotiated procedure above the thresholds provided in the standard.

b) The Accounting Officer shall authorise the approaching of a confined market except where a rapid response is required in the presence of, or the imminent risk of, an extreme or emergency situation arising from the conditions set out in the standard and which can be dealt with or the risks relating thereto arrested within 48 hours; and

c) the proposal procedure using the two-envelope system, the proposal procedure using the two-stage system or the competitive negotiations procedure.

7.4.2 The person authorised to pursue a negotiated procedure in an emergency is *[designated person].*

7.5 Receipt and safeguarding of submissions

7.5.1 A dedicated and clearly marked tender box shall be made available to receive all submissions made.

7.6 Opening of submissions

7.6.1 Submissions shall be opened by an opening panel comprising two people nominated by the chief financial officer who have declared their interest or confirmed that they have no interest in the submissions that are to be opened.

7.6.2 The opening panel shall open the tender box at the stipulated closing time and:

a) sort through the submissions and return those submissions to the box that are not yet due to be opened including those whose closing date has been extended;

b) return submissions unopened and suitably annotated where:

1) submissions are received late, unless otherwise permitted in terms of the submission data;

2) submissions were submitted by a method other than the stated method,

3) submissions were withdrawn in accordance with the procedures contained in SANS 10845-3; and.

4) only one tender submission is received and it is decided not to open it and to call for fresh tender submissions;

c) record in the register submissions that were returned unopened;

d) open submissions if received in sealed envelopes and annotated with the required particulars and read out the name of and record in the register the name of the tenderer or respondent and, if relevant, the total of prices including VAT where this is possible;

e) record in the register the name of any submissions that is returned with the reasons for doing so;

f) record the names of the tenderer's representatives that attend the public opening;

g) sign the entries into the register; and

h) stamp each returnable document in each tender submission.

7.6.3 Each member of the opening panel shall initial the front cover of the submission and all pages that are stamped in accordance with the requirements of 7.6.2h).

7.6.4 Respondents and tenderers whose submissions are to be returned shall be afforded the opportunity to collect their submissions.

7.6.5 Submissions shall be safeguarded from the time of receipt until the conclusion of the procurement process.

7.7 Use of another organ of state's framework agreement

The *Witzenberg Municipality* may make use of another organ of state's framework contract which has been put in place by means of a competitive tender process and there are demonstrable benefits for doing so. The *Accounting Officer* shall make the necessary application to that organ of state to do so.

7.8 Insurances

7.8.1 Contractors shall be required to take out all insurances required in terms of the contract.

7.8.2 The insurance cover in engineering and construction contracts for loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract shall in general not be less than the value stated in Table 4, unless otherwise directed by the Accounting Officer.

7.8.3 Lateral earth support insurance in addition to such insurance shall be take out on a case by case basis.

Table 4: Minimum insurance cover

Type of insurance	Value
Engineering and construction contracts - loss of or damage to property (except the works, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) caused by activity in connection with a contract	Not less than R20 million
Professional services and service contracts - death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract or damage to property	Not less than R10 million
Professional indemnity insurance	geotechnical, civil and structural engineering: R5,0 million electrical, mechanical and engineering: R3,0 million architectural: R5,0 million other R3,0 million

7.8.4 The insurance cover in professional services and service contracts for damage to property or death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with a contract shall not be less than the value stated in Table 4 for any one event unless otherwise directed by the Bid Specification Committee

7.8.5 SASRIA: Special Risk Insurance in respect of riot and associated risk of damage to the works, Plant and Materials shall be taken out on all engineering and construction works.

7.8.6 Professional service appointments shall as a general rule be subject to proof of current professional indemnity insurance being submitted by the contractor in an amount not less than the value stated in Table 4 in respect of each claim, without limit to the number of claims, unless otherwise directed by the *Bid Specification Committee* in relation to the nature of the service that they provide.

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7.8.6 Witzenberg *Municipality* shall take out professional indemnity insurance cover where it is deemed necessary to have such insurance at a level higher than the levels of insurance commonly carried by contractors.

7.8.7 Where payment is to be made in multiple currencies, either the contractor or *Witzenberg Municipality* should be required to take out forward cover. Alternatively, the prices for the imported content should be fixed as soon as possible after the starting date for the contract.

7.9 Written reasons for actions taken

7.9.1 Written reasons for actions taken shall be provided by the relevant manager.

7.9.2 The written reasons for actions taken shall be as brief as possible and shall as far as is possible, and where relevant, be framed around the clauses in the:

a) SANS 10845-3, *Construction procurement - Part 3: Standard conditions of tender,* and, giving rise to the reason why a respondent was not short listed, prequalified or admitted to a data base; or

b) SANS 10845-4, *Construction procurement - Part 4: Standard conditions for the calling for expressions of interest;*

as to why a tenderer was not considered for the award of a contract or not awarded a contract.

7.9.3 Requests for written reasons for actions taken need to be brief and to the point and may not divulge information which is not in the public interest or any information which is considered to prejudice the legitimate commercial interests of others or might prejudice fair competition between tenderers.

7.10 Request for access to information

7.10.1 Should an application be received in terms of Promotion of Access to Information Act of 2000 (Act 2 of 2000), the "requestor" should be referred to the *Witzenberg Municipality*'s Information Manual which establishes the procedures to be followed and the criteria that have to be met for the "requester" to request access to records in the possession or under the control of *Witzenberg Municipality*'s.

7.10.2 Access to technical and commercial information such as a comprehensive programme which links resources and prices to such programme should be refused as such information provides the order and timing of operations, provisions for time risk allowances and statements as to how the contractor plans to do the work which identifies principal equipment and other resources which he plans to use. Access to a bill of quantities and rates should be provided in terms of the Act.

WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase

LONG-TERM FINANCIAL PLAN POLICY

Date of implementation 01 July 2013

LONG-TERM FINANCIAL PLAN POLICY

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1. DEFINITIONS AND ABBREVIATIONS

''basic municipal service'' means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

"BSC" means Budget Steering Committee, a committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA;

''budget-related policy'' means a policy of a municipality affecting or affected by the annual budget of the municipality, including—

the tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;

the rates policy which the municipality must adopt in terms of legislation regulating municipal property rates; or

the credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

"IDP" means the Integrated Development Plan;

"LTFP" means Long Term Financial Plan;

''long-term debt'' means debt repayable over a period exceeding one year;

"MBRR" means the Municipal Budget and Reporting Regulations;

"MFMA" means the Municipal Finance Management Act No 56 of 2003;

"MTREF" means Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years;

"Municipality" means Witzenberg Municipality;

''municipal tariff'' means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

''municipal tax'' means property rates or other taxes, levies or duties that a municipality may impose;

''National Treasury'' means the National Treasury established by section 5 of the Public Finance Management Act.

"Short Term" refers to a period up to 3 (three) years

"Medium Term" refers to a period between 3 (three) and 5 (five) years

"Long Term" refers to any period longer than 5 (five) years

2. INTRODUCTION

2.1. The Local Government: Municipal Finance Management Act No 56 of 2003 (hereafter MFMA) has instituted various financial reform measures. Sound financial management practices have been identified as essential to the long- term sustainability of municipalities. In this regard the MFMA necessitates that municipality's must have a policy related the Long Term Financial Plan (hereafter LTFP).

2.2. A municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the Integrated Development Plan (hereafter IDP). It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

2.3. The Municipality has developed a financial model that aims to determine the appropriate mix of parameters and assumptions within which the municipality should operate to facilitate budgets which are affordable and sustainable at least 10 years into the future. In addition, it identifies the consequential financial impact of planned capital projects on the municipality's operational budget.

3. PROBLEM STATEMENT

3.1. Preceding the inception of the MFMA municipal budgets usually catered for immediate demands with little or no view to future needs or the future consequences of particular decisions. This poor planning practice fragmented the sustainability of municipal budgets.

4. PURPOSE

4.1. The policy aims to ensure that all long-term financial planning is based on a structured and consistent methodology thereby ensuring long-term financial affordability and sustainability.

5. GUIDING PRINCIPLES

5.1. The policy is based on the following principles:-

5.1.1. Future financial sustainability;
5.1.2. Optimal collection of revenue, taking into consideration the socio economic environment;
5.1.3. Optimal utilisation of grant funding;
5.1.4. Continuous improvement and expansion in service delivery framework, and
5.1.5. Prudent financial strategies.

6. ROLE PLAYERS AND STAKEHOLDERS

The following role players will ensure that the LTFP is implemented in accordance with the prescribed legislative requirements and Council processes.

6.1. Budget Office

6.1.1. Responsible for the preparation and the compilation of the LTFP;
6.1.2. Responsible for overall oversight;
6.1.3. Present long term financial plan outcome to the Budget Steering Committee;
6.1.4. Review Policy and Strategy, in consultation with relevant stakeholders, to ensure maximum compliance in terms of legislation.

6.2. Directorates and Departments

6.2.1. Responsible for providing reasons on past performance outcomes
6.2.2. Responsible for providing information to Budget Office to update the financial plan;
6.2.3. Required to identify revenue and expenditure plans for both operating and capital budgets for at least 3 years.
6.2.4. Required to make recommendations on future service delivery matters.

6.3. Budget Steering Committee

6.3.1. Responsible for providing strategic guidance on matters relevant to the long term financial plan
6.3.2. Responsible for endorsing the projected MTREF assumptions and parameters contemplated by the LTFP.

7. REGULATORY CONTEXT

7.1. Section 17 (3) of the MFMA states that "when an annual budget is tabled it must be accompanied by amongst other "any proposed amendments to the budget-related policies of the municipality".

7.2. Section 21 of the MFMA states that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for, amongst other:
(i) The preparation, tabling and approval of the annual budget;
(ii) the annual review of—
(aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
(bb) the budget-related policies;
(ii) The tabling and adoption of any amendments to the IDP and the budget-related policies; and
(iii) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

7.3. Section 7 (1) of the Local Government: Municipal Finance Management Act, 2003, Municipal Budget and Reporting Regulations, 2009 (hereafter MBRR) states that:
"the Municipal Manager of a municipality must prepare, or take all reasonable steps to ensure the preparation of budget-related policies of the municipality, or any or any necessary amendments to such policies, in accordance with the legislation applicable to those policies for tabling in the municipal council by the applicable deadline specified by the mayor in terms of section 21 (1) (b) of the MFMA".

7.4. Section 7 (1) reference (1) of the MBRR, further states that "as defined in section 1 of the MFMA. Policies that affect or are affected by the annual budget of a municipality include …. "(g) A policy related to the long term financial plan".

7.5. Section 4 (1) of the MBRR states "that the mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the MFMA".

7.6. Section 26 (h) of the Local Government: Municipal Systems Act 32 of 2000 (hereafter the MSA) states that "An Integrated Development Plan must reflect a financial plan, which must include a budget projection for at least the next three years".

8. POLICY DIRECTIVE DETAILS

8.1. Financial strategies
8.1.1. An intrinsic feature of the LTFP is to give effect to the Municipality's financial strategies. These strategies include:
8.1.1.1. Increasing funding for asset maintenance and renewal;
8.1.1.2. Continuous improvement to the financial position;
8.1.1.3. Ensuring affordable debt levels to fund the capital budget;
8.1.1.4. Maintaining fair, equitable and affordable rates and tariff increase;
8.1.1.5. Maintaining or improving basic municipal services;
8.1.1.6. Achieving and maintaining a breakeven/surplus Operating budget; and
8.1.1.7. Ensuring full cost recovery for the provision of internal services.

8.2. Non – financial strategies
8.2.1. The LTFP is a key component for achieving the goals listed in the IDP of the Municipality. The LTFP must consider the following non – financial strategic strategies:
8.2.1.1. The Municipality's Strategic Focus Areas;
8.2.1.2. Infrastructure led growth strategies; and
8.2.1.3. The Municipality's Spatial Development Framework.

8.3. Preparation of the LTFP
8.3.1. The LTFP process should commence by latest June of each year.
8.3.2. The LTFP should consider the fiscal overview by reviewing past financial performance, projection of long-term financial outlook and financing and funding arrangements. The following matters should be considered annually:
8.3.2.1. Revising the long-term financial plan for events that may have impacted during the recent past;

8.3.2.2. Assessing the outcomes and achievements of the past few years financial performance as per the audited financial statements;
8.3.2.3. Reviewing the financial objective and assumptions;
8.3.2.4. Reviewing the past and summarise long term financial outlook;
8.3.2.5. Assess the current overall financial position and liquidity situation;
8.3.2.6. Identify any financial challenges and constraints;
8.3.2.7. Identifying strategies to deal with the challenges, and to maintain financial viability and capacity to sustain services;
8.3.2.8. Identify overall funding mix and implications for own revenue and external funding; and
8.3.2.9. Assess compliance with the MFMA and other relevant legislation etc.

8.3.3. The LTFP is prepared in an uncertain environment it is therefore required to make certain assumptions on the following internal and external factors:
8.3.3.1. Reviewing the external factors (population migration, employment, health, development of businesses, and new residential areas, etc.);
8.3.3.2. General inflation outlook and its impact on the municipal activities;
8.3.3.3. Credit rating outlook;
8.3.3.4. Interest rates for borrowing and investment of funds;
8.3.3.5. Rates, tariffs, charges and timing of revenue collection;
8.3.3.6. Growth or decline in tax base of the municipality;
8.3.3.7. Collection rates for each revenue source;
8.3.3.8. Price movements on specifics e.g. bulk purchases of water and electricity, fuel etc.;
8.3.3.9. Average salary increases;
8.3.3.10. Industrial relations climate, reorganisation and capacity building;
8.3.3.11. Trends in population and households (growth, decline, stable);
8.3.3.12. Changing demand characteristics (demand for services);
8.3.3.13. Trends in demand for free or subsidised basic services;
8.3.3.14. Impact of national, provincial and local policies;
8.3.3.15. Ability of the municipality to spend and deliver on the programmes; and
8.3.3.16. Implications of restructuring and other major events into the future.

8.3.4. Intergovernmental fiscal transfers/allocations from National and Provincial government play a pivotal role in the finances of the Municipality. The following unconditional transfers/allocations must be considered, as a minimum, when projecting the budget:
8.3.4.1. Local Government Equitable Share;
8.3.4.2. Grants related to the provision of Provincial government functions.

8.4. The Municipality's LTFP model and scenario planning
8.4.1. The Municipality financial model gives effect to the LTFP. It enables the forecasting of the operating and capital budgets for at least 10 years into the future. The model embodies National Treasury's budget preparation guidelines, drawing on assumptions and parameters to forecast the operating budget.
8.4.2. Strategic initiatives should be prioritised and quantified to be included in the financial model.
8.4.3. The financial forecasting model must be updated using the fiscal overview, assumption and intergovernmental fiscal transfers/allocations information to identify immediate opportunities and/or risks.
8.4.4. The medium and long-term financial viability should be evaluated.
8.4.5. Reiterative scenario planning should be executed to ensure optimum use of resources to cater for strategic initiatives.
8.4.6. To identify the optimum balance between revenue collection and municipal spending the following should be taken into account:
8.4.6.1. The impact each scenario has on the financial sustainability and affordability of the Municipality;
8.4.6.2. Whether scenarios are realistic in terms of revenue projections;
8.4.6.3. Potential revenue enhancement strategies which may have a long-term impact on the revenue base of the Municipality;
8.4.6.4. Potential cost saving mechanisms related to strategic initiatives; and
8.4.6.5. The impact of infrastructure investments and maintenance programs on future revenue streams.
8.4.7. Presentations on scenarios should be presented to the BSC as may be requested.
8.4.8. BSC should endorse the final MTREF scenario inclusive of assumptions and parameters annually by latest January.

8.5. The annual updated LTFP should identify the following:
- 8.5.1. Assumptions and parameters to be used to compile the Operating and Capital budgets over the next MTREF;
- 8.5.2. Future Operating revenue and expenditure projections based on assumptions and parameters;
- 8.5.3. Future affordability of projected Capital Plans
- 8.5.4. The level of infrastructure development required to achieve the
- 8.5.5. Municipal priorities, within the funding restrictions; and
- 8.5.6. External funding requirements in respect of long term debt.

8.6. Implementation of the LTFP
- 8.6.1. The annual updated LTFP should provide the parameters and assumptions for the compilation of the operating and capital budgets for the next MTREF.
- 8.6.2. This information should be provided to the Operating and Capital budget departments by latest January of each year.

9. EVALUATION AND REVIEW

9.1. This policy shall be implemented once approved by Council.

9.2. In terms of section 17(1) (e) of the MFMA this policy must be reviewed on an annual basis

9.3. Changes in financial strategy, non – financial strategic strategies and legislation must be taken into account for future amendments to this policy.

9.4. Any amendments must be tabled to Council for approval as part of the budget process.

WITZENBERG
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TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE POLICY

TRANSPORT- TRAVEL- AND SUBSISTENCE ALLOWANCE FOR COUNCILLORS AND EMPLOYEES OF WITZENBERG MUNICIPALITY

This policy applies to all Councillors and employees of Witzenberg Municipality who are travelling on official business.

1. Glossary

"accommodation allowance"	an amount payable to a Councillor or an employee for expenses incurred in respect of overnight accommodation, meals and incidental costs (e.g. refreshments). This allowance is intended for unusual circumstances which fall outside of the employee's or Councillor's normal daily course.
"incidental costs"	private telephone calls, refreshments, service charges and gratuities.
"meals"	breakfast and /or lunch and /or dinner.
"miscellaneous expenses"	laundering, bus fares, taxi fares, parking- & toll fees, and expenses not specified.
"representative"	A Councillor or an employee who is duly authorised to represent the Municipality in terms of the delegated powers of the Council.
"senior manager"	an employee appointed in terms of Section 56 of the Municipal Systems Act (Act no. 32 of 2000).

2. Transport Allowance

2.1. Councillors

An travelling allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of Remuneration Of Public Office Bearers Act of 1998 may be included as part of the total package of the councillor.

2.2. Municipal Manager and Senior Managers

The Municipal Manager and Senior Managers shall be required to utilise their own motor vehicle when they is required to travel for purposes relating to their employment and may therefore structure their total cost of employment to provide for a car allowance for tax purposes.

2.3. Other qualifying employees: Fixed Travelling Allowance Scheme (Perk scheme)

All applications for a Transport Allowance shall require the approval of the Municipal Manager. The monthly transport allowance of other qualifying employees will be determined according to their task levels:

T LEVEL	New Transport Allowance	Current Transport Allowance
T 14	R 9,000	R 8,330
T 15	R 10,000	R 8.330
T 16	R 11,000	R 8,330 – 10,925 Higher amounts – personal to incumbent.
T 17+	R 12,000	R 8.330

The monthly allowance will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

2.4. Essential User Transport Allowance

The Essential User Transportation Scheme is paid to employees who need transport to perform duties as an alternative to the provision of official transport.

To be eligible for a regular transport allowance an employee should for six consecutive months in the form prescribed keep record of official trips taken with private vehicles by keeping at least information about the date, route, distance and reason and authorization for each trip. During the six months the employee will be paid an ad hoc monthly transport allowance calculated by multiplying the official distance travelled (limited to 1 166km) by the sum of the fixed and running cost of the relevant vehicle. At the end of six months a reported should be submitted to the municipal manager for consideration of the award of a regular transport allowance based on the average monthly distance travelled for official purposes within the Witzenberg Municipal area..

All applications for an Essential User Transport Allowance including the type of vehicle shall require the approval of the Municipal Manager. Admission to and participation in the scheme is determined on the basis of the need for transportation for official purposes.

The fixed monthly allowance is based on average distance travelled over 6 months. The maximum fixed monthly distance is 1 166 km per month. If the municipal manager approves a monthly distance of more than 1 166 km in special circumstances only the running cost will be payable for the distance in excess of 1 166 km.

If records of distances travelled over a period of six months are not available a log book must be kept and the employee will be paid for the actual official distances travelled to a maximum of 1 166 km per month.

The cost per kilometre is determined as per the following table and will be amended with the annual budget process:[1]

FIXED COST		
NORM	**R 170 000**	**R 250 000**
CAPACITY	**1400cc - 1600cc**	**2000cc**
TYPE	**Sedan**	**LDV**
FINANCING	**R 43 350**	**R 63 750**
INSURANCE	**R 9 100**	**R 11 000**
TOTAL	**R 52 450**	**R 74 750**
÷ANNUAL DISTANCE	**14 000 km**	**14 000 km**
Cent/km	**380c**	**540c**
RUNNING COST		
Cent/km	**190c**	**200c**

The employer or employee can terminate participation in this scheme with six months' notice.

[1] Recommended for amendment

3. **<u>Travelling expenses</u>**

3.1. In the consideration of expenditure the most practical and economical mode of transport must be used, after all the factors have been considered by the Municipal Manager or his/her nominee, provided that such consideration does not exceed whatever is listed hereunder.

3.2. Airfares

Economy class airfares shall be paid plus vehicle rental in the Class A category. In cases of emergency and where no booking for economy class or a Class A vehicle is available, the Municipal Manager or his nominee may authorise that Business Class or any other vehicle class tariffs may be paid.

3.3. Travelling expenses

Travelling expenses shall only be paid to a representative or in the case of an employee where he/she uses private transport to undertake a trip on behalf of the Municipality.

Every trip by an employee must have the prior authorisation of the employee's senior manager.

3.3.1. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to employees who participate in the **Fixed Travelling Allowance Scheme (Perk scheme)** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre is R 2.00.

The running cost will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

3.3.2. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to Employees who participate in the **Essential User Transportation Scheme** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre will is according to the running cost of the scheme.

3.3.3. Employees who are not part of any Transportation Scheme shall be reimbursed for actual kilometres travelled from their place of residence or from his/her location during office hours in accordance with Section 8(1)(b) of the Income Tax Act and in conjunction with the prescribed tariffs per kilometre for employees not travelling more than 8 000 kilometres per annum.

3.3.4. Travelling expense reimbursements **for Councillors, the Municipal Manager and other senior managers** shall be dealt with as follows:

3.3.4.1. Destinations outside of the Municipality's area of jurisdiction:

Councillors, the Municipal Manager and other senior managers shall be reimbursed for the actual kilometres travelled in accordance with the tariffs of the Department of Transport.

3.3.4.2. Destinations within the Municipality's area of jurisdiction:

3.3.4.2.1. The Municipal Manager and other senior managers shall not receive any reimbursement for actual kilometres travelled within the

Municipality's area of jurisdiction, insofar as such travelling expenses have already been factored into their total reimbursement package.

3.3.4.2.2. Councillors shall be reimbursed in accordance with the Act on Public Office Bearers subject to the business kilometre limits as stipulated in the Act.

3.3.4.2.3. Where a councillor wishes to claim for kilometres travelled over and above the limit as stipulated in the Act referred to in (b) supra, such claim must be accompanied by a travel log of all the kilometres travelled. This travel log should at least include a starting- and finishing kilometre reading per trip, as well as defining the purpose of the trip. The reimbursement for the kilometres travelled over and above the limit, shall be paid in accordance with the tariffs of the Department of Transport.

3.3.5. A person who elects to make use of private transport to attend a meeting, congress or seminar, and where the travelling costs would be more than airfare, shall be paid the cash equivalent of an Economy Class air ticket based on a seven (7) day advance booking, with the proviso that the subsistence costs shall only be paid for a period not longer than would have been applicable in the case of air travel.

3.3.6. Where at all possible, more than one (1) person shall make use of the same vehicular transport, and only the owner or the driver of the vehicle is entitled to claim the applicable travelling allowance as defined in 3.3.1 to 3.3.5. Every endeavour should be made to utilize the mode of transport that is the most economical.

3.3.7. Where an employee who participates in the Essential User Transportation Scheme or the Fixed Travelling Allowance Scheme travels to the very same destination as Councillors or other employees, then such Councillors and employees shall endeavour to travel with the employee who is in receipt of the said travelling allowance.

3.3.8. Where an employee will be travelling beyond a radius of 200 kilometres from his location or place of residence, he may claim an advance payment equal to the estimated kilometres multiplied by the applicable tariff. Upon return to his location, the employee shall submit a final claim so that the adjustment between the advance payment and the actual claim can be settled once-off.

4. <u>Subsistence Costs</u>

The accommodation allowance is divided into two categories, namely overnight allowance and day allowance.

4.1. Overnight allowance

An overnight allowance shall be paid to a representative who travels to a destination outside of the municipal area for a period of 24 hours or longer or any portion thereof after the first 24 hours.

A distinction is made between travelling within and travelling outside of the boundaries of the Republic of South Africa.

The following are the limits in respect of allowances and actual expenditure:

4.1.1. Accommodation

4.1.1.1. Accommodation expenses, both within as well as outside of the boundaries of South Africa:

4.1.1.2. The actual expenditure in respect of accommodation shall be paid by the Municipality, provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.

4.1.1.3. Only the actual expense incurred by the representative shall be paid. In the event where the representative is accompanied by his/her spouse, the representative shall be responsible for the difference between the single tariff and the double tariff of the relevant institution.

4.1.1.4. The costs for the representative's spouse as referred to in 4.1.1.2 must be paid to the Municipality in advance if such costs have to be paid in together with that of the representative.

4.1.1.5. Where the tariff as mentioned in 4.1.1.1 is exceeded, the prior approval of the Municipal Manager or his nominee has to be obtained.

4.1.2. **Meals and incidental expenses within the boundaries of the Republic of South Africa:**

4.1.2.1. The allowance payable shall be equal to the "Meals and Incidental Costs"-tariff as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable. The allowance paid shall be deemed as the actual expenditure by the representative.

Actual expenditure incurred for meals excluding alcoholic refreshment may be claimed provided that this expenditure does not exceed the day tariff as determined by Council during its budget process.

4.1.2.2. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses will apply. This tariff is equal to the tariff defined as "Only Incidental Expenses" as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.

4.1.2.3. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:

The difference between the tariffs as determined in 2.1.2.1 and 2.1.2.2 shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not, plus the tariff as referred to in 2.1.2.2.

4.1.2.4. In the event where the purpose of the expense is to facilitate training, all tariffs payable in terms of 2.1.2.1, 2.1.2.2 and 2.1.2.3 may be claimed in advance with the prior approval of an authorised official within the Human Resources Section.

4.1.2.5. In the event where the representative is unable to make use of the meals provided due to religious convictions or allergies, the reimbursement for alternative meals shall be dealt with on an ad hoc basis, with the authorization of the Municipal Manager or his nominee.

4.1.3. Meals and incidental expenses outside of the boundaries of the Republic of South Africa:

4.1.3.1. The maximum tariff payable shall be equal to the tariff defined as "Meals and Incidental Costs in the Republic" as determined and amended by the South African Revenue Services in terms of Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.

4.1.3.2. The payment of the tariff shall be deemed as actual expenditure by the representative, for which no formal proof of expenditure is required, and is payable irrespective of whether meals were provided or not.

4.1.3.3. The tariff payable in terms of 2.1.3.1 may be claimed in advance with the prior approval of the Municipal Manager. In the case of the Municipal manager the prior approval must be given by the Executive Mayor.

4.1.3.4. In the event where all the meals are included with the accommodation and/or supplied during the conference, meeting or seminar, the tariff for incidental expenses is payable subject to paragraph 2.1.3.8.

4.1.3.5. This tariff is equal to the tariff defined as "Only Incidental Expenses" as determined and amended by the South African Revenue Services in accordance with Section 8(1)(c) of the Income Tax Act, and is deemed non-taxable.

4.1.3.6. In the event where certain meals are included with the accommodation or supplied during the conference, meeting or seminar, the accommodation allowance shall be reduced proportionately as follows:

4.1.3.7. The difference between the tariff defined as "Only Incidental Expenses" and the tariff known as "Meals and Incidental Costs" shall be divided into three equal parts and shall be reduced by the number of meals provided, irrespective of whether the representative made use of the meals or not.

4.1.3.8. Incidental expenses is only due where the recipient is obliged to spend at least one night away from his or her usual place of residence.

4.1.4. Miscellaneous Expenses:

4.1.4.1. The actual expenditure in respect of laundry (excluding dry cleaning), bus fares and taxi fares, parking fees and toll fees, shall be paid by the Municipality upon proof of payment, both within as well as outside of the boundaries of the Republic of South Africa, and the expenditure shall be linked to the exchange rate, where applicable.

4.1.4.2. Communication Expenses:

4.1.4.2.1. All expenses incurred within the Republic's boundaries, shall be dealt with in terms of the Cell Phone Policy, as amended.

4.1.4.2.2. The cost of any calls made or received by the representative outside of the boundaries of the Republic, shall be paid at the actual cost of all official calls.

5. Reimbursement for applicants who attend interviews.

5.1. Accommodation expenses

5.1.1. The actual cost of the accommodation, including the cost of meals, as arranged by the Municipality.

5.2. Travelling expenses

5.2.1. Travelling expenses shall be dealt with according to the guideline in paragraph 3.1, and in the event of the applicant making use of private transport, the tariff per actual kilometres travelled will apply, as outlined in paragraph 3.3.3. Where a hired vehicle is used to transport the applicant from the airport, the actual cost of a hired vehicle with the engine capacity of 1300cc to 1500cc shall be paid.

5.2.2. Where the applicant has to make use of air travel to attend an interview, the actual cost as defined in par 3.2 shall be paid.

5.2.3. Travelling expenses shall be paid only for applicants who reside within the boundaries of the Republic of South Africa.

6. Claims

For a claim to be processed for payment, the following documentary proof must be handed in to the Directorate: Finance:

6.1. In the case of an employee, the representative's attendance must be authorised by the Municipal Manager or his nominee in terms of the delegation of authority.

6.2. In the case of a senior manager, his/her attendance must be authorised by the Municipal Manager.

6.3. In the case of Councillors or the Municipal Manager, their attendance must be authorised by the Executive Mayor, in consultation with the Municipal Manager.

6.4. In the case of the Executive Mayor, his/her attendance must be authorised by the Municipal Manager.

6.5. A properly completed official claim form (attached as annexure 6.5) must be handed in, having been signed by an official who is duly authorised to approve expenses.

6.6. Supporting documentation in the form of invoices for overnight allowances in terms of miscellaneous expenses and communication expenses. (the latter being applicable only to overseas trips).

6.7. All claims to be processed must be handed in to the Directorate: Finance not later than 10 working days after the journey has been undertaken or a longer period approved by the Director Finance.

7. Commencement date

The implementation date of this policy be affective from 1 July 2016 irrespective the date of approval.

Annexure

WITZENBERG LOCAL MUNICIPALITY CLAIM FOR TRAVEL- AND SUBSISTENCE ALLOWANCE
Claimant:
Reason for visit:
Town visited:

Travel and Subsistence allowance					
DEPARTURE		ARRIVAL		TOTAL	
Date	Time	Date	Time	Days	Hours
Day allowance:					R
Vehicle	cc	Kilometres	@		R

Travel allowance for candidates attending interviews (in terms of item 4)				
Vehicle	cc	Kilometres	@	R
Rail ticket				R
Air ticket & vehicle rental				R
Accommodation expense				R

Incidental expenses, subject to proof of expenses	
Sundry expenses	R
Sundry expenses	R
Sundry expenses	R
Sundry expenses	R
Communication expenses (outside the borders of RSA)	

TOTAL	R

…….. ……
DATE SIGNATURE OF CLAIMANT

…….. …….....
DATE AUTHORISED OFFICIAL

……..
VOTE NUMBER

WITZENBERG

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POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

Reviewed by Council 30/05/2017

Adopted by Council 26/07/2016

POST-EMPLOYMENT MEDICAL AID CONTRIBUTION POLICY

1. Purpose

The purpose of this policy is to determine guidelines for the:

1.1 Management of contributions to medical aids, post-employment.

1.2 Determine whether an employee is entitled to the post-employment medical aid benefit.

2. Definitions

2.1 Approved medical aid: A medical aid approved by the Bargaining Council.

2.2 Bargaining Council: The South African Local Government Bargaining Council.

2.3 Medical disability: Employees not able to continue with employment due to medical reasons with proof from medical practitioners.

2.4 Normal retirement age: The retirement age for the purpose of this policy is set at 60 years.[1]

2.5 **Qualifying dependants:** Legally married spouse and dependent children below the age of 21.

3. Object of the policy

To ensure a transparent, accountable and sustainable manner to assist qualifying employees access of post-employment health care benefits.

4. Qualifying employees

4.1 An employee retiring at normal retirement age, with at least 10 years' service and who was a member of an approved medical aid for at least the last 5 years before retirement.

4.2 An employee retiring within 5 years of normal retirement age, with at least 20 years' service, and who was a member of an approved medical aid for at least the last 5 years before retirement.

4.3 An employee leaving employment due to health reasons with at least 5 years' service and who was a member of an approved medical aid for at least the last year before retirement.

4.4 An employee not capable to continue employment due to injury on duty and who was a member of an approved medical aid for at least the last year before medical retirement.

4.5 An employee who did not have a medical condition that resulted in the medical boarding at date of appointment.

4.6 An employee retiring at normal retirement age who was in the employment of the municipality at the date of implementation of this policy and who was a

[1] Amended by Council 30/05/2017

member of an approved medical aid for at least the last 5 years before retirement.

4.7 The qualifying dependants of an employee if the employee passed while in service and the employee and his qualifying dependants were members of an approved medical aid.[2]

4.8 The qualifying dependants of an employee will be entitled to the benefits even after the passing of the employee after retirement. [3]

5. Limit of benefit

The benefit will be limited to the smaller of:

5.1 The maximum amount applicable to in-service members as agreed on at the Bargaining Council.

5.2 70 % of the total contribution payable to an approved medical aid scheme in respect of the employee and his/her qualifying dependants.

6. Payment of benefit

6.1 The municipality will only be responsible to pay the employer's contribution over to the relevant medical aid. The employee must make his/her own arrangements to pay his/her contribution to the medical aid.

6.2 If the employee fails to pay his/her contribution to the medical aid the contribution payable by the municipality can be stopped.

7. Cancellation of benefit

The benefit in terms of this policy may be terminated:

7.1 If the beneficiary is still economically active (Employed by another entity or self-employed.)

7.2 If the beneficiary is in arrears for three months or longer with his contribution to the medical aid.

7.3 The Municipal Manager may consider the continuation of the benefit on receipt of a motivated application.

8. Transitional arrangements

8.1 Existing beneficiaries of the post-employment medical scheme will retain their current benefit until 31 December 2017 when they can choose more affordable options from their medical schemes.

8.2 The future benefit of existing beneficiaries whose current benefit is more than the benefit as per paragraph 5.1 will receive the larger of the current benefit and the benefit as per paragraph 5.1, but limited to the amount as per paragraph 5.2.

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[2] Amended by Council 30/05/2017

[3] Amended by Council 30/05/2017

WITZENBERG MUNICIPALITY

CAPITAL INFRASTRUCTURE INVESTMENT POLICY

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1. DEFINITIONS

"Asset" means a tangible or intangible resource capable of ownership.

"Capital Asset" means:-

(a) Any immovable asset such as land, property or buildings; or

(b) Any moveable asset that can be used continuously or repeatedly for more than one year in the production or supply of goods or services, for rental to others or for administrative purposes, and from which future economic or social economic benefit can be derived, such as plant, machinery and equipment.

"Capital Expenditure (CAPEX)" means expenditure used to create new assets or to increase the capacity of existing assets.

"Carrying Value" means the Cost less Accumulated Depreciation of an Asset.

"Infrastructure Assets" includes all core assets which are integral to the delivery of municipal services, including water supply, sanitation, road transport and storm water drainage, solid waste removal, electricity supply, and community facilities. In terms of GRAP, it includes all immovable Property, Plant and Equipment (PPE), as well as specific immovable assets such as vehicles that are directly used in the delivery of the service (such as waste removal trucks). It excludes intangible assets (such as licenses, software, etc.) and current assets (ones with a life less than 12 months, such as consumables).

"Infrastructure Asset Management Plan (IAM)" means a plan developed for the management of Infrastructure Assets with the aim of providing specified levels of service in a cost-effective manner, now and in the future. Multi-disciplinary management techniques (including technical and financial) are combined to determine the aggregated asset life-cycle needs. A significant component of the plan is a long-term cash-flow.

"Infrastructure Asset Management Policy" means a formal statement adopted by Council that indicates the municipality's policy objective, the policy principles, and how these will be pursued (including the establishment of an IAM Team, and aligned systems and planning).

"Infrastructure Asset Management Strategy" means a document that defines key IAM processes and targets including the definition of Consumer Groups and Service Catchments; Service Performance Standards and targets that accommodate the municipality's vision of future growth and demand; interaction and coordination measures; AMS functionality and data standards; risk management processes; IAM practice improvement processes; a funding and prioritisation strategy; and allocation of responsibility for implementation.

"Operation" relates to running the service e.g. record keeping, accounting, monitoring, complaints and repairs.

"Maintenance" means the actions required for an asset to achieve its expected useful life and ensuring that the asset functions efficiently for the whole of its Expected Useful Life. Maintenance can be planned or unplanned. Planned Maintenance includes measures to prevent known failure modes and can be time or condition-based. Repairs are a form of unplanned maintenance to restore an asset to its previous condition after failure or damage. Expenses on maintenance are considered operational expenditure.

2. INTRODUCTION

2.1 This policy aims to describe the process through which the Municipality can initiate projects of a capital nature. It ultimately aims to serve as a principal instrument to steer the budget for Infrastructure and Capital projects in the Municipality around a particular agreeable and sustainable developmental path.

2.2 This policy is mandated by section 8 of the Local Government: Municipal Budget and Reporting Regulations.

3. PURPOSE

3.1 This policy sets out the process and methodology for capital investment of any nature, regardless of the funding source. The following investments of a capital infrastructure nature fall within the ambit of this policy:

3.1.1 New building construction or acquisitions;
3.1.2 Extensions to existing buildings;
3.1.3 Upgrades to accommodation and housing, other than those projects relating to low cost housing;
3.1.4 Land acquisitions;
3.1.5 All major capital works, as covered within the Asset Maintenance / Life-Cycle Management Policy;
3.1.6 All infrastructure developments; and
3.1.7 Information and communication infrastructure renewals and/or upgrades;

4. GUIDING PRINCIPLES

4.1. The Capital Infrastructure Investment Policy is based on the following principles:-

4.1.1 Need as identified within the IDP, underpinned by the Municipal Capital Investment Program and National Spatial Development Perspective;
4.1.2 Necessity to fulfil the service delivery mandate as identified within the Asset Maintenance / Life-Cycle Management Policy; and
4.1.3 Affordability.

5. NEW CAPITAL INFRASTRUCTURE INVESTMENT

5.1 New infrastructure development may only be entered into if:-

5.1.1 The project is in line with the Municipality's IDP;
5.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and
5.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy;

5.2. All new infrastructure investments will be subject to:-

5.2.1 Needs analysis based on:-
i. Service delivery sustainability;
ii. Consumer growth projections which are in line with the National and Regional Spatial Development Growth Perspectives; and
iii. National, Regional and Municipal strategic directives.
5.2.2 Strategic project plan, including:-

i. A holistic overview of the direct benefits, risks and impact of the intended project;

ii. An assessment on the impact of current Infrastructure;

iii. A service delivery framework relevant to the project;

iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and

v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.

5.2.3 Outcome of stakeholder consultation, including:-

i. Environmental impact studies; and

ii. Feedback from community participation process, with specific focus on:-

- Rights and entitlements of members of the community; and
- impact on quality of life.

5.2.4 Implementation model, detailing:-

i. Relevant skills base and source of skills required for implementation; and

ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

6. REFURBISHMENT AND SIGNIFICANT INFRASTRUCTURE MAINTENANCE PROJECTS

6.1 All Capital Infrastructure refurbishment and significant maintenance projects may only be entered into if:

6.1.1 The project is in line with the Municipality's IDP or emergency maintenance framework;

6.1.2 Funding has been secured through either internal or external funding mechanisms and has been approved in the Municipality's Capital Budget; and

6.1.3 A detailed life-cycle funding plan has been developed, supported and integrated into the Asset Maintenance / Life –Cycle Management Policy.

6.2 All refurbishments and significant infrastructure maintenance projects will be subject to:-

6.2.1 Needs analysis based on:-

i. Service delivery sustainability; and

ii. Asset redundancy and failure assessment of the asset under scrutiny.

6.2.2 Strategic project plan, including:-

i. A holistic overview of the direct benefits, risks and impact of the intended refurbishment project;

ii. An assessment on the potential impact of unavailability of the asset during the refurbishment process, including redundancy measures;

iii. A service delivery framework relevant to the project;

iv. A cost assessment, detailing the capital and maintenance cost projections for the entire life-cycle; and

v. A funding model, detailing the financing source and associated cost, if any, as well as any revenue projections associated with the project.

6.2.3 Outcome of stakeholder consultation, including:-

i. Environmental impact studies; and

ii. Feedback from community participation process, with specific focus on;

- Rights and entitlements of members of the community; and
- Impact on quality of life;

6.2.4 Implementation model, detailing:-

i. Relevant skills base and source of skills required for implementation; and

ii. Specific timeframes for each activity throughout the project lifecycle (cradle to grave approach).

7. FUNDING OF CAPITAL INFRASTRUCTURE INVESTMENTS

7.1 All new Capital Infrastructure Investments may be funded from:-

7.1.1 Cash backed accumulated surpluses;
7.1.2 Borrowings;
7.1.3 Government grants and subsidies;
7.1.4 Public donations and contributions;
7.1.5 PPP initiatives in line with the MFMA PPE regulations; and
7.1.6 Operating Revenue.

7.2 All refurbishment and significant infrastructure maintenance projects may be funded from:-

7.2.1 Cash backed accumulated surpluses;
7.2.2 Borrowings in respect of refurbishment;
7.2.3 Government grants and subsidies in accordance with their relevant conditions; and
7.2.4 Operating Revenue.

8. INFRASTRUCTURE BUDGETING

8.1 The on-going renewal of Infrastructure Assets should be approximately 1.0 % of the Carrying Value of the Assets.

8.2 On-going Repairs and Maintenance of Infrastructure Assets should be at the very least 2.0 % of the Carrying Value of the Assets.

9. IMPLEMENTATION & REVIEW OF THIS POLICY

9.1 This policy shall be implemented once approved by Council.

9.2 In terms of section 17(1)(e) of the MFMA this policy must be reviewed on a regular basis as deemed necessary and the reviewed policy tabled to Council for approval as part of the budget process.

DRAFT
MUNICIPAL COST CONTAINMENT POLICY

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

July 2019

MUNICIPAL COST CONTAINMENT POLICY
LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, No 56 of 2003
Date of adoption: 1 July 2019

The Council of the Witzenberg Municipality resolves in terms of section 168 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), to adopt the Municipal Cost Containment Regulations (*Government Gazette* No. 42514) as the Cost Containment Policy of the municipality:

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1. DEFINITIONS

In the policy a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, unless the context indicates otherwise, and-

"Act" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"consultant" means a professional person, individual, partnership, corporation, or a company appointed to provide technical and specialist advice or to assist with a design and implementation of projects or to assist a municipality or municipal entity to perform its functions to achieve the objects of local government in terms of section 152 of the Constitution;

"cost containment" means measures implemented to curtail spending in terms of the policy; and

"credit card" means a card issued by a financial services provider, which creates a revolving account and grants a line of credit to the cardholder.

2. OBJECT OF POLICY

The object of this policy is to ensure that resources of a municipality are used effectively, efficiently and economically by implementing cost containment measures.

3. APPLICATION OF POLICY

This Policy applies to all officials and political office bearers in the municipality.

4. COST CONTAINMENT

The municipality must develop and implement a cost containment policy which must-

(a) be adopted by council as part of its budget related policies; and

(b) be consistent with the Act and the Cost Containment Regulation

5. USE OF CONSULTANTS

The use and appointment of consultants will be in line with the cost regulations and Council's policy on municipal supply chain.

6. VEHICLES USED FOR POLITICAL OFFICE-BEARERS

(1) The threshold limit for vehicle purchases relating to official use by political office-bearers must not exceed R700 000 or 70% (VAT inclusive) of the total annual remuneration package for the different grades of municipalities, as defined in the Public Office Bearers Act and the notices issued in terms thereof by the Minister of Cooperative Governance and Traditional Affairs, whichever is lower.

(2) The procurement of vehicles in sub-regulation (1) must be undertaken using the national government transversal contract mechanism, unless it may be procured at a lower cost through other procurement mechanisms.

(3) Before deciding to procure a vehicle as contemplated in sub-regulation (2), the accounting officer or delegated official must provide the council with information relating to the following criteria which must be considered-

(a) status of current vehicles;

(b) affordability of options including whether to procure a vehicle as compared to rental or hire thereof, provided that the most cost effective option is followed and the cost is equivalent to or lower than that contemplated in sub-regulation (1);

(c) extent of service delivery backlogs;

(d) terrain for effective usage of the vehicle; and

(e) any other policy of council.

(4) If the rental referred to in sub-regulation (3) is preferred, the accounting officer must review the costs incurred regularly to ensure that value for money is obtained.

(5) Regardless of their usage, vehicles for official use by political office bearers may only be replaced after completion of 120 000 kilometres.

(6) Notwithstanding sub-regulation (5), a municipality or municipal entity may replace a vehicle for official use by political office bearers before the completion of 120 000km only in instances where the vehicle has a serious mechanical problem and is in a poor condition and subject to obtaining a detailed mechanical report by the vehicle manufacturer or approved dealer.

(7) The utilisation of municipal vehicles for official purposes is contained in the Fleet Management Policy.

7. TRAVEL AND SUBSISTENCE

The Municipal policy on travel and Subsistence will be applicable. The hiring of private vehicles, as refer to in the cost containment policy will not be allowed.

8. DOMESTIC ACCOMMODATION

Accommodation arrangements will only be approved if the return trip undertaken by any official and or Councillor, for official purposes is more than 500km. All bookings will be made as prescribe by the cost containment regulations.

9. CREDIT AND DEBIT CARDS

(1) The use of any credit and debit card for municipal activities are forbidden.

(2) Where officials or political office bearers incur expenditure in relation to official municipal activities, such officials or political officer bearers must use their personal credit cards or cash or arrangements made by the municipality, and request reimbursement in accordance with the written approved Travel and Subsistence Policy and processes.

10. SPONSORSHIPS, EVENTS AND CATERING

(1) The municipality may not incur catering expenses for meetings which are only attended by persons in the employ of the municipality, unless the prior written approval of the accounting officer is obtained.

(2) The accounting officer may incur catering expenses for the hosting of meetings, conferences, workshops, courses, forums, recruitment interviews, and proceedings of council that exceed five hours.

(3) Entertainment allowances of qualifying officials may not exceed two thousand rand per person per financial year, unless approved otherwise by the accounting officer.

(4) The municipality may not incur expenses on alcoholic beverages unless the municipality recovers the cost from the sale of such beverages.

(5) The accounting officer must ensure that social events, team building exercises, year-end functions, sporting events and budget vote dinners are not financed from the municipality or the municipal entity's budgets or by any suppliers or sponsors.

(6) The municipality may not incur expenditure on corporate branded items like clothing or goods for personal use of officials, other than uniforms, office supplies and tools of trade unless costs related thereto are recovered from affected officials or is an integral part of the business model.

(7) The accounting officer may incur expenditure not exceeding the limits for petty cash usage to host farewell functions in recognition of officials who retire after serving the municipality for ten or more years or retire on grounds of ill health.

11. COMMUNICATION

(1) The municipality may, as far as possible, advertise municipal related events on its website instead of advertising in magazines or newspapers.

(2) The accounting officer must ensure that allowances to officials for private calls and data costs are limited to an amount as determined by the accounting officer.

(3) Newspapers and other related publications must be discontinued on expiry of existing contracts or supply orders, unless required for professional purposes and where unavailable in electronic format.

(4) The municipality may participate in the transversal term contract arranged by the National Treasury for the acquisition of mobile communication services.

12. CONFERENCES, MEETINGS AND STUDY TOURS (HR Manager to ensure if such policies and procedures exist)

(1) The accounting officer must establish policies and procedures to manage applications to attend conferences or events hosted by professional bodies or non-governmental institutions held within and outside the borders of South Africa taking into account their merits and benefits, costs and available alternatives.

(2) When considering applications from officials or political office bearers to attend conferences or events within and outside the borders of South Africa, an accounting officer or mayor as the case may be, must take the following into account-

(a) the official's or political office bearer's role and responsibilities and the anticipated benefits of the conference or event;

(b) whether the conference or event addresses relevant concerns of the institution;

(c) the appropriate number of officials or political office bearers, not exceeding three, attending the conference or event; and

(d) the availability of funds to meet expenses related to the conference or event.

(3) An accounting officer may consider appropriate benchmark costs with other professional bodies or regulatory bodies prior to granting approval for an official to attend a conference or event within and outside the borders of South Africa.

(4) The benchmark costs referred to in sub-regulation (3) may not exceed an amount

as determined from time to time by the National Treasury through a notice.

(5) The amount referred to in sub-regulation (4) excludes costs related to travel, accommodation and related expenses, but includes-

(a) conference or event registration expenses; and

(b) any other expense incurred in relation to the conference or event.

(6) When considering costs for conferences or events these may not include items such as laptops, tablets and other similar tokens that are built into the price of such conferences or events.

(7) The accounting officer of a municipality or municipal entity must ensure that meetings and planning sessions that entail the use of municipal funds are, as far as may be practically possible, held in-house.

(8) Municipal or provincial office facilities must be utilised for conference, meetings, strategic planning sessions, *inter alia,* where an appropriate venue exists within the municipal jurisdiction.

(9) The accounting officer must grant the approval for officials and in the case of political office bearers and the accounting officer, the mayor, as contemplated in sub-regulation (2).

(10) The municipality must, where applicable, take advantage of early registration discounts by granting the required approvals to attend the conference, event or study tour, in advance.

13. OTHER RELATED EXPENDITURE ITEMS

(1) All commodities, services and products covered by a transversal contract concluded by the National Treasury must be considered before approaching the market, to benefit from savings where lower prices or rates have been negotiated.

(2) Municipal resources may not be used to fund elections, campaign activities, including the provision of food, clothing, printing of agendas and brochures and other inducements as part of, or during election periods or to fund any activities of any political party at any time.

(3) Expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.

(4) The municipality must avoid expenditure on elaborate and expensive office furniture.

(5) The municipality may only use the services of the South African Police Service to conduct periodical or quarterly security threat assessments of political office bearers and key officials and a report must be submitted to the speaker's office.

(6) The municipality may consider providing additional time-off in lieu of payment for overtime worked. Planned overtime must be submitted to the relevant manager for consideration on a monthly basis. A motivation for all unplanned overtime must be submitted to the relevant manager. (Refer to Overtime Policy)

(7) A municipality must ensure that due process is followed when suspending or dismissing officials to avoid unnecessary litigation costs. (Refer to Disciplinary Policy)

14. ENFORCEMENT PROCEDURES

Failure to implement or comply with this policy may result in any official of the municipality, political office bearer or director of the board that authorised or incurred any expenditure contrary to this policy being held liable for financial misconduct or a financial offence in the case of political office bearers as defined in Chapter 15 of the Act read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014.

15. DISCLOSURES OF COST CONTAINMENT MEASURES

(1) The disclosure of cost containment measures applied by the municipality must be included in the municipal in-year budget reports and annual costs savings disclosed in the annual report.

(2) The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution. The municipal council can refer such reports to an appropriate Council Committee for further recommendations and actions.

(3) The reports referred to in sub-regulation (2) must be copied to the National Treasury and the relevant provincial treasury within seven calendar days after the report is submitted to municipal council.

16. SHORT TITLE AND COMMENCEMENT

The Municipality Cost Containment policy is in line with the Municipal Cost Containment Regulations published in the Government Gazette 42514 of 7 June 2019 and take effect on 1 July 2019.

WITZENBERG

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TRAVEL MANAGEMENT POLICY

1. DEFINITIONS AND ABBREVIATIONS

For purposes of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meanings: -

1.1 DEFINITIONS

1.1.1 "Accommodation" means the rental of lodging facilities while away from the Traveller's place of residence while on authorised official duty.

1.1.2 "After-hours reservation" means the travel request that is processed after normal working hours of the Travel Management Company (TMC).

1.1.3 "Air travel" means travel by airline on authorised official duty.

1.1.4 "Boundaries of the Municipality" means the boundaries as determined by the Demarcation Board.

1.1.5 "Car Rental" means the rental of a vehicle for a short period of time by a Traveller for official purposes.

1.1.6 "Municipality" means municipality established by the Municipality Establishment Notice No. 479 of 22 September 2000, issued in terms of the Local Government: Municipal Structures Act, 1998, (Act No. 117 of 1998) or any structure or employee of the Municipality acting in terms of delegated authority.

1.1.7 "Municipal Manager" means the Accounting Officer of the Municipality as defined in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

1.1.8 "Council" means the Council of the Municipality.

1.1.9 "Councillor" means a member of the Council.

1.1.10 "Day" means a completed period of twenty-four hours away from normal place of domicile and employment on official business of the Municipality.

1.1.11 "Delegated Authority" means any person who has been appointed to authorise travel in respect of travel requests and expenses.

1.1.12 "Domestic Travel" means travel within the borders of the Republic of South Africa.

1.1.13 "DOT Tariffs" means Department of Transport Tariffs for the use of Motor Transport, Circular for Category A, Petrol vehicles, tariffs for fuel and maintenance adjusted quarterly.

1.1.14 "Executive Mayor" means the person elected in terms of Section 55 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) to be the Executive Mayor of the Municipality and shall include any person acting in that position.

1.1.15 "Emergency Reservation" means the booking of travel when unforeseen circumstances necessitate an unplanned trip or a diversion from an original planned trip.

1.1.16 “Director” means a person appointed by the Council to lead a Directorate of the Municipality and shall include any person acting in that position.

1.1.17 ‘Incidentals" means any minor expenses associated with business travel.

1.1.18 "International Travel" means travel to a location outside of the territorial boundaries of the Republic of South Africa.

1.1.19 ‘‘NGO" means a non-profit, citizen-based group that functions independently of government.

1.1.20 "Private Individual" means any person not employed by the Municipality who is requested to travel at the Municipality's expense for official purposes.

1.1.21 "Official" means a person employed by the Municipality.

1.1.22 “Place of work" means the place where principal duties of the official are performed.

1.1.23 "Quarterly" means at the end of the 3rd month of every quarter within a calendar year.

1.1.24 "Sponsored Trip" means a trip where the total cost, or portion thereof is sponsored by another Organisation or Third Party other than the Municipality.

1.1.25 "Subsistence Allowance" means any allowance given to an employee or a holder of any office for expenses incurred or to be incurred in respect of personal subsistence and incidental costs (for example: drinks and telephone calls).

1.1.26 “Travel Allowance” means an allowance paid by the Municipality to the Traveller for the use of his or her own private motor vehicle for business purposes.

1.1.27 “Travel Management Company" means a Service Provider appointed to manage all travel arrangements of the Municipality.

1.1.28 "Traveller" means any Councillor or Official travelling away from his or her normal place of domicile and employment on official business of the Municipality. It includes a private individual who travels on behalf of the Municipality.

1.1.29 "Travel Booker" means the person from line departments coordinating travel reservations on behalf of the Travellers.

1.1.30 "Travel Expenses" means expenses incurred by the Traveller on official business trips.

1.1.31 "Travel Voucher" means a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

1.1.32 "Travel Order Number'' means a sequential number issued by the Expenditure Department to the Traveller authorizing a specific trip.

1.1.33 "Travel Advance" means the payment to a Traveller, prior to departure, to cover unexpected expenses which may need to be settled by the Traveller while away on official business.

1.1.34 "Executive Officials" for ease of reference he purpose of this policy it refers to are members of MAYCO, the Speaker and Senior Management Team.

1.2 ABBREVIATIONS

1.2.1	"DOT"	Department of Transport
1.2.2	"SARS"	South African Revenue Services;
1.2.3	"SIRP"	Strategic International Relations Policy
1.2.4	"IDP"	Integrated Development Plan
1.2.5	"DPSA"	Department of Public Service and Administration
1.2.6	"EDP"	Economic Development Partnership
1.2.7	"SMT"	Senior Management Team
1.2.8	"NGO"	Non-Governmental Organisation
1.2.9	"NT"	National Treasury
1.2.10	"TMC"	Travel Management Company
1.2.11	SALGA	South African Local Government Association

2. PROBLEM STATEMENT

2.1 From time to time Municipality Councillors and Officials travel locally and/or internationally in execution of their duties, hence the need for the development, implementation and monitoring of a Travel Management Policy.

2.2 A principle of cost containment and financial prudence is maintained at all times.

3. DESIRED OUTCOMES

3.1 To provide a policy framework for consistent decision making on matters related to travel management within the Municipality.

3.2 To provide a mechanism to ensure cost effective and sustainable travel management.

3.3 To set parameters within which Travellers may claim reimbursements for costs incurred prior to, during and after the trip has been undertaken.

3.4 To prevent any unauthorised, irregular, fruitless and wasteful expenditure.

4. PURPOSE

4.1 The purpose of this policy is to provide a regulatory framework for travelling and accommodation services for the Witzenberg Municipality and to create minimum norms and standards for Travellers while on official business both domestically and internationally.

4.2 Further, this policy aims to establish procedures that will ensure effective control over the processing, administration, authorisation of travel expenditure and containing costs at all times.

5. REGULATORY CONTEXT

This policy is developed and guided by the following legislation, regulations and circulars, amongst others: -

5.1 Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)
5.2 National Treasury Regulations, Circulars and other publications affecting travel in terms of MFMA
5.3 Transport Tariffs as determined by the Department of Transport
5.4 Income Tax Act, 1962 (Act No. 58 of 1962) (as amended) as well as guidelines
5.5 Taxation Laws Amendment Act 2017
5.6 SARS Interpretation Notices & other Notices
5.7 Municipality System of Delegations
5.8 SALGA Subsistence and Travel Policy
5.9 Remuneration of Public Office Bearers Act, 1998
5.10 Municipality Leave Management Policy
5.11 Municipality Integrated Development Plan
5.12 RSA Department of National Treasury: National Travel Policy Framework
5.13 Municipality Budget Related Policies
5.14 Value -Added Tax Act, 1991 (Act No. 89 of 1991)

6. ROLE PLAYERS AND STAKEHOLDERS

6.1 There is a wide range of existing and potential external stakeholders. These range from departments and agencies in other spheres of Government that have a role to play in monitoring the Municipality's activities and finances (for example, Auditor General) to government, non-government and private sector organisations that would be affected by the Policy (for example, conference organisers).

6.2 The principal role player is the office of the Municipal Manager which will be responsible for implementing the policy and administering its ongoing management and evaluation. The office of the Municipal Manager will be supported by Finance Directorate

6.3 Key internal stakeholders will include the MAYCO, Mayco Member for Finance, Finance Committee, Office of Municipal Manager and Directorate Finance.

6.4 The table below provides an outline of the affected role-players and Stakeholders, amongst others, the following:-

6.4.1 Office Municipal Manager	(internal)
6.4.2 NGOs	(external)
6.4.3 Private Sector	(external)
6.4.4 Finance Committee	(internal)
6.4.5 Mayor's Office	(internal)
6.4.6 Strategic Policy Branch	(internal)
6.4.7 Public Participation Unit	(internal)
6.4.8 Human Resources Unit	(internal/primary)
6.4.9 All other Municipality Directorates	(internal/secondary)
6.4.10 Auditor General	(external/government)
6.4.11 Western Cape Local Government	(external/government)
6.4.12 SALGA	(external/government)
6.4.13 Conference and/or Event Organisers	(external/government)
6.4.14 External Government Departments	(external/government) and (non-government)
6.4.15 Directorate Finance	(internal)

7. APPLICATION OF THE POLICY

This policy is applicable to:-

7.1 Any Councillor or employee of the Municipality required to travel on an approved Municipality business.

7.2 Any prospective employee required to travel at the Municipality's expense to attend interviews or for any other Municipality related purposes.

7.3 Any private individual who is required to travel on behalf of the Municipality on approved Municipality business.

8. TRAVEL RESTRICTIONS

8.1 Executive Officials are discouraged from travelling as a group, in the same transport at the same time.

8.2 The number of employees travelling on authorised official duty for the same matter must be limited to three (3) employees, unless otherwise approved in advance by the Delegated Authority.

9. GENERAL PRINCIPLES

9.1 All bookings must be done through the official TMC based on an official authorisation number.

9.2 Travellers should plan official travel well in advance. They should obtain approval and make a booking/reservation at least seven (7) working days prior to departure for domestic travel and fourteen (14) working days prior to departure for International travel.

9.3 From time to time, National Treasury (NT) issues Circulars guiding Municipalities on measures to contain operational costs, including travel matters. Municipalities are expected to adhere to these measures.

9.4 For both Domestic and International trips, a motivation must be submitted to the Delegated Authority for approval, highlighting the necessity of the trip and the benefits the Municipality will achieve.

9.5 Only the TMC is permitted to make travel booking arrangements on behalf of the Municipality in line with the provision of the Travel Management Policy, and any other related NT Circulars adopted by Council.

9.6 The Traveller must obtain prior approval from the Delegated Authority via the applicable travel report, and must ensure that the applicable travel template (which is updated periodically) is used.

9.7 The TMC shall be liable for any expenses incurred on behalf of the Municipality in respect of which no proper authorisation was obtained.

9.8 Upon approval by Delegated Authority, personal travelling may be combined with a business trip if it does not lead to additional expenditure for the Municipality or impair on the work performance of the individual. No costs incurred during the personal trip

will be for the account of the Municipality.

9.9 The Municipality distances itself from any private reservations made with the TMC. The arrangement is solely between the TMC and the Traveler. Thus, the processing of the related payments through the Municipality's official payment system is not allowed.

9.10 The Municipality will reimburse the Traveller for all business-related expenses personally incurred by the Traveller while travelling on behalf of the Municipality for both Domestic and International trips which is not contrary to this policy.

9.11 The Traveller must safeguard municipal information and assets while travelling and avoid compromising that security.

9.12 The Traveller should maintain personal travel documents such as a passport. The cost of obtaining a passport is for the Traveller's own account.

9.13 The most cost-effective mode of transportation should be used at all times, domestically and internationally.

9.14 Travellers should make use of public transport when travelling to/from the airport if it is more cost effective than the cost of car rental, parking and kilometers claimed.

9.15 Where possible and permissible Travellers are encouraged to first consider the use of the Municipality's fleet vehicles when travelling on official business. Where fleet vehicles are used, no claims shall be paid, except for unforeseen circumstances, such as breakdowns and parking. It must be noted that employee on vehicle schemes may not use fleet vehicles.

9.16 In order to contain costs, the use of free Wi-Fi (where applicable) should be considered when travelling.

9.17 The Traveller should consider the most cost effective and safe parking options when parking at the airport. (For example at Cape Town International Airport, the offsite longer-term parking area should be considered).

9.18 The Traveller will be reimbursed for parking and toll fees while on an official trip. The Traveller should supply proof of expenses incurred when submitting a claim.

10. POLICY DIRECTIVES

10.1 AIR TRAVEL- Domestic & International

10.1.1 For domestic trips, the Municipality makes use of NT negotiated South African Airways (SAA)/British Airways (BA) rates and/or low cost carriers. All Travellers should use discounted economy class (best fare on the day) where possible. In the event where discounted economy class tickets are not available, special authorisation is required from the Delegated Authority to book Full Economy Tickets.

Full Economy Tickets can be considered for Executives (Executive Mayor, Executive Deputy Mayor, Mayoral Committee Members, Speaker, Municipality

Manager, and the Senior Management Team (SMT)) to ensure flexibility of flights, however, discounted tickets may be purchased for Executives when travel is reasonably certain.

10.1.2 In the event that the Traveller must attend an early morning meeting, in a distant location in South Africa, consideration could be given to allow the travelling to take place a day before the event

10.1.3 For international trips, the Municipality makes use of all airlines where the most economical airline is chosen on quotation basis.

10.1.4 Business Class is not encouraged, however where a single flight exceeds five (5) hours, consideration may be applied for International trips, for the Executives (Executive Mayor, Executive Deputy Mayor, Mayoral Committee Members, Speaker, Municipality Manager, and the Senior Management Team (SMT).

10.1.5 Business Class travel may also be approved for Domestic and International trips under the following scenarios including amongst others: -

10.1.5.1 Travellers with special needs based on medical grounds (e.g. Deep vein thrombosis, varicose veins, recent surgery and pregnancy). In these instances, a medical certificate noting the medical need and the applicable period of time must be provided. If this is a long-term condition, an updated Doctor's Certificate should be presented on an annual basis to confirm that the condition still exists.

10.1.5.2 Where Economy Class tickets are not available, Travellers are not allowed to book business class unless otherwise approved by the Delegated Authority, where it has been confirmed that the permitted airline class was full and no other applicable flights are available.

10.1.5.3 Disabled persons can be accommodated in Business Class upon approval by the Delegated Authority.

10.1.6 For international trips the comparison of more expensive direct flights from Cape Town versus cheaper indirect flights should always be performed. When choosing a flight, consideration should also be given to the Travellers' ability to function optimally when arriving at their destination especially when travelling across time zones.

10.1.7 If exceptional unforeseen circumstances necessitate a change to a booking and it has cost implications, it must be authorised by the Delegated Authority. These changes should be kept to a minimum as they may result in fruitless and wasteful expenditure.

10.1.8 Where special circumstances exist, which necessitate a Deviation from the above principles, prior approval Municipality Manager or in the case of the Municipal Manager the approval of the Mayor is required.

Amendments to Air Tickets

10.1.9 Travellers should limit the number of amendments to air tickets.

10.1.10 The costs associated with amendments is subject to the rules of the particular ticket and can include penalty fees.

10.1.11 The costs incurred as a result of amendments requested by a Traveller for his/her convenience or lack of planning will be for the Traveller's personal account.

10.1.12 The costs of amendments as a result of revised business requirements or any other circumstances outside the Traveller's control will be incurred by the relevant Line Department.

Air Ticket Cancellations and Refunds

10.1.13 The Travellers must inform the TMC immediately when they realise that they will not be able to use a specific flight which has already been booked.

10.1.14 If there is a possibility that the Traveller might not fly to the same destination within the next six months (in the case of a domestic destination) or a year (in case of an international destination), the ticket must be cancelled immediately and a refund requested via the TMC. If the Traveller will be travelling to the same domestic destination within the next six months, the ticket must be amended to the new date and kept by the TMC.

10.1.15 In the event that the ticket was amended to a new date, the Traveller should inform the TMC when the ticket needs to be re-used.

Baggage Allowance

10.1.16 The Traveller must acquaint himself or herself with the Baggage Policy of the airline that he/she will be travelling on. The Baggage Policy will provide information on the prescribed baggage allowance and the cost for baggage in instances where the airline charges separately for baggage_

10.1.17 Based on the class of travel, the airline will prescribe the specific number of pieces of luggage that will be allowed as well as the weight and size per piece.

10.1.18 The reimbursement of excess baggage is subject to the Traveller obtaining approval for exceeding the baggage allowance due to a valid business reason, prior to the trip.

Denied Boarding Compensation

10.1.19 Travellers are discouraged from volunteering to be bumped off flights for compensation. If a Traveller volunteers to be bumped-off a flight, the Traveller is extending the travel time for personal reasons and is then personally responsible

for all expenses that result from the extended trip. Any vouchers for a free ticket should be applied for business trips.

10.2 ACCOMMODATION AND MEALS – Domestic and International

Accommodation

10.2.1 Hotel accommodation for domestic and international travel are restricted to a three or a four-star grading.

10.2.2 When sourcing accommodation, the Municipality uses options that are equal to or lower than NT rates set for Domestic Hotel Accommodation, depending on the allowable star-grading.

10.2.3 Guest Houses and/or Bed and Breakfast accommodation can be utilised provided that the related costs do not exceed the proposed three or a four- star Hotel, or are within NT rates set for Domestic Hotel Accommodation.

10.2.4 In line with NT agreement with Hotels, TMCs must obtain quotes from these hotels. However, it is not necessarily limited to these hotels as accommodation depends on availability, locality and rates, which could be lower. Competition and cost effectiveness must remain a key principle.

10.2.5 If a negotiated rate for a specific star grading is equivalent to or lower than the rate for the lower star grading, the official may be accommodated in the establishment with the higher star grading. This means that an official may be accommodated at a four-star establishment if the rate at the four-star establishment is the same as or lower than a three-star establishment.

10.2.6 The TMC and line departments must ensure that their domestic accommodation costs do not exceed the NT rates which are reviewed periodically.

10.2.7 In line with Cost containment Regulations 2019, overnight accommodation is limited to instances where the distance travelled by road by the Traveller exceeds five hundred (500) kilometres to and from the destination (return journey),unless approved otherwise by the Delegated Authority.

10.2.8 Only the services as approved and described on the travel voucher can be signed off at time of check-out from a place of accommodation. These are the only costs that are allowed to reflect on the invoice. All other charges are for the Travellers' own account. Travellers will not be reimbursed for any consumable items taken from mini bars.

10.2.9 The Traveller may not redeem a Travel Accommodation Voucher or part thereof for cash.

10.2.10 Receipts for meals for domestic trips paid for by the Traveller, should be kept and attached to the claim form. In cases where receipts are lost, the Traveller should

provide a declaration that the expense was actually incurred.

Private Accommodation

10.2.11 Travellers who choose to make use of private accommodation (staying with family or friends) will be compensated at the fixed subsistence allowance amount for each night at SARS rates, as per Section 8 (1)(c) of the Income Tax Act.

Meal Expenses- Domestic Trips

10.2.12 The Municipality is responsible for all meal expenses for Travellers for the duration of their official trip unless the meals are sponsored.

10.2.13 Where Travellers stay at establishments which do not offer meals or only offers breakfast, an advance can be provided.

10.2.14 A service charge of up to 10% of the bill will also be paid by the Municipality.

Meal Expenses – International Trips

10.2.15 The Municipality is responsible for all meal expenses for Travellers for the duration of their official trip.

10.2.16 These meals will be covered in terms of SARS rates applicable to the country being visited.

No-Shows and Cancellations

10.2.17 It is the responsibility of the Traveller to notify the TMC of any cancellations of reserved accommodation as soon as he/she becomes aware of the fact. Each establishment has different conditions/rules in terms of cancellations. Last-minute cancellations can result in the payment of a cancellation fee. The Traveller must familiarise himself/herself with the cancellation policy of the specific establishment.

10.2.18 The Traveller should inform the TMC or the establishment if he/she expects to be arriving later than the expected arrival time to ensure that the reservation is not cancelled or a cancellation fee is charged.

10.2.19 If the Traveller does not check in at all in a Hotel /B&B without any prior notification to the TMC or the Hotel/B&B, any no-show cost charged is regarded as fruitless and wasteful expenditure.

10.2.20 The Traveller could be responsible for any fruitless expenditure incurred due to a no-show or late cancellation where it was in his/her ability to cancel the booking on time.

10.3 VEHICLES - Domestic and International

Hiring of Vehicles

10.3.1 The Municipality makes use of the TMC for car rental.

10.3.2 In compliance with NT Directive, the hiring of vehicles from a category below Group B or an equivalent class is permitted. Due to the small size of cars lower than Group B, a Delegated Authority could, where necessary, approve the use of a Group B car.

10.3.3 The hiring of larger vehicles is permitted under the following cases: -

10.3.3.1 When extra luggage must be accommodated;

10.3.3.2 To cater for the special needs of Travellers.

10.3.4 For groups of five (5) or more Travellers a Microbus or similar vehicle may be arranged.

10.3.5 Where a number of Travellers/officials are attending the same official function/meeting, they must at all times attempt to reduce the cost to the Municipality by using one vehicle where circumstances permit.

10.3.6 Under no circumstances may a rental vehicle be used for private purposes.

10.3.7 Any fines, penalties and administration fees payable as a result of the contravention of any traffic rules and regulations while driving a hired vehicle will be for the Traveller's personal account. The Traveller should settle the amount within thirty (30) days of receipt of the fine and should then provide proof of payment to the TMC.

10.3.8 The Delegated Authority may permit employees to accept an upgraded group of hired vehicles if such an upgrade is offered for free or at a lower charge than Group B.

10.3.9 The Traveller should book a rental vehicle for the period that it is actually required for official business only as the car rental companies charge a full daily rate for a 24-hour cycle or part thereof.

10.3.10 The Traveller must ensure that the vehicle is returned within the specified rental period as it can be regarded as stolen if the vehicle is not returned in time without any notification to the car rental company. The Traveller will be held responsible for the additional charges for the late return of the vehicle, unless approved by the Delegated Authority upon submitting sound reason by the Traveller.

10.3.11 The Traveller must take every reasonable precaution to safeguard a rental or fleet vehicle against damage, theft or irregular use while driving it and when it is parked.

10.3.12 The most suitable vehicle will be arranged for persons living with disabilities who are only able to drive a particular type of vehicle and those in possession of a driver's licence restricted to automatic vehicles.

10.3.13 If the Traveller needs to extend the rental period for official business purposes, the Traveller must obtain approval and the TMC will issue a voucher for the extended period.

10.3.14 If the Traveller extends his/her stay for personal reasons, the charges will be for the Traveller's personal account. The TMC and car rental company must be informed of the arrangement and the car must be returned. The Traveller must enter into a separate rental agreement for the period of private travel for personal usage.

10.3.15 The responsibility and related costs of obtaining an International Driving Licence, where required, rests with the Traveller.

10.3.16 The hiring of a vehicle on an international trip is not permitted except in countries neighbouring South Africa.

10.3.17 For Car Rental Inspections, the Traveller should verify and complete the Quality Check Card prior to leaving the car rental premises, both on collection and return of the rental vehicle. The Traveller must ensure that all scratches, chips, dents, windscreen and cracks are marked on the card and signed off by the car rental attendant. Failure to complete the Quality Check Card could result in the Traveller being held personally responsible for any damages.

Private Vehicles used by Travellers

10.3.18 The boundaries of the Municipality shall be used to determine payment for travel outside such boundaries by means of private transport for officials who are in receipt of a fixed transportation allowance, or where such an allowance has been factored into the total cost of employment package of the official concerned. Officials will be reimbursed in accordance with Department of Transport: Tariffs for the use of motor transport.

10.3.19 Employees who are not in receipt of a travel allowance shall be reimbursed according to the latest prescribed SARS km tariff, calculated from their place of residence.

10.3.20 Employees who are in receipt of an Essential User Transport Allowance as provided for in the Human Resources policy of the Municipality shall be reimbursed in accordance with Department of Transport: Tariffs for the use of their vehicles. The travelling distance shall be calculated from their place of residence minus the kilometres for the trip from home to their office.

10.3.21 Councillors using private transport outside the boundaries of the Municipality shall be reimbursed in accordance with Department of Transport: Tariffs for the use of their vehicles as determined in the "Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils" as amended annually in the Government Gazette.

10.3.22 A Traveller who uses private transport to conduct business on behalf of the Municipality shall be paid the lower of the following:-

10.3.22.1 A cash equivalent of the avoided air ticket cost, which would have been paid in the event of air travel being the most economical and practical means of transport plus any hired vehicle charge to get to the Traveller's destination; or

10.3.22.2 The actual cost per kilometre in accordance with DOT: Tariffs for the use of own vehicle.

10.3.23 A person may not claim subsistence costs for a longer period than would have been applicable in the case of air travel.

10.3.24 Under no circumstances shall fuel advances be paid for privately owned vehicles.

Public Transportation

10.3.25 The Traveller will be reimbursed when making use of public transport for official business.

10.3.26 The Traveller must submit a receipt as proof of payment to the Travel Office for reimbursement.

10.3.27 In the absence of the proof of payment, the Traveller must submit a declaration detailing the cost incurred and the reason/s for the absence of the receipt or proof of payment.

10.3.28 The use of public transport for interviewees who makes use of Cape Town International Airport should be encouraged instead of the more expensive shuttle option.

Shuttle and Transfer Services

10.3.29 Travellers should make use of shuttle services if the cost of such a service is lower than the cost of hiring a vehicle. The analysis should take into account the petrol costs, distance and the cost of parking.

10.4 SUBSISTENCE ALLOWANCES- Domestic and International

Domestic Travel

10.4.1 Subsistence Allowances for domestic official trips will apply when Travellers are away from their office of employment on official business and spend at least one night away from his/her place of residence and will be paid in accordance with SARS rates for meals and incidental cost per night.

10.4.2 If the Traveller makes use of private accommodation while on an official trip, he/she will receive a Fixed Daily Allowance as determined by SARS for meals and incidental costs.

10.4.3 A day allowance is payable equal to the tariff as defined by SARS as a "incidental cost only", if an employee is away from their office of employment on official business for more than 4 hours but less than 24 hours.

International Travel

10.4.3 Subsistence Allowances for international trips will apply when Travellers spend at least one night away from his/her place of residence and will be calculated based on SARS rates for the applicable country per night.

10.4.4 Details of these amounts are published on the SARS website under Legal Counsel/Secondary Legislation/Income Tax Notices as per the relevant year.

10.4.5 If sponsored trips provide a subsistence allowance to the Traveller equal to or higher than the prescribed allowance, the Traveller shall not receive any allowance from the Municipality.

10.4.6 If the subsistence allowance paid by the sponsor is lower than the prescribed allowance, the Traveller will receive the difference from the Municipality.

10.4.7 For cost containment purposes, the Delegated Authority reserves the right to limit the international subsistence to a reasonable amount, per Traveller per trip, when necessary.

10.5 TRAVEL ADVANCES - Domestic and International

10.5.1 Travel Advances may be paid for official journeys if provided for in the approved travel report. Any unspent portion of the advance must be repaid to the Municipality immediately on return.

10.5.2 Travellers shall submit reconciliation, together with supporting documentary proof of disbursements on the official trip within seven (7) days of return from such trip.

10.5.3 Travel Advances may not be paid out more than ten (10) days prior to departure.

10.5.4 Travel Advances will not be granted to Travellers with any outstanding advances, not utilised during previous trips.

10.6 MISCELLANEOUS EXPENSES – Domestic and International

Domestic

10.6.1 The following expenses incurred are regarded as miscellaneous and may be claimed within the boundaries of the Republic of South Africa on production of proof of expenditure: -

10.6.1.1 Parking fees while travelling
10.6.1.2 Toll fees
10.6.1.3 Public transport costs

International

10.6.2 The following expenses incurred may be claimed on production of proof of expenditure:

10.6.2.1 Parking/bus fares;
10.6.2.2 Transport costs to and from official meetings;
10.6.2.3 Visas (for the shortest available period);
10.6.2.4 Inoculations;
10.6.2.5 Specialised tours and entries to events related to the travelling;
10.6.2.6 Copying & Printing of relevant documentation;

10.7 CONFERENCE FEES - Domestic and International

10.7.1 Employees of municipalities may attend conferences hosted by professional bodies or non-governmental institutions (external conferences) held within the borders of South Africa provided that expenses related to their attendance do not exceed the bench mark cost as prescribed by National Treasury from time to time through a notice.

10.7.2 Employees must make every effort to take advantage of early registration discounts by seeking the required approvals to attend well in advance of the conference as it relates to their area of work. No late registration is acceptable.

10.7.3 International Conferences must be limited to their ultimate minimum or none at all, unless otherwise approved by the Delegated Authority.

11. AMENDMENTS AND CANCELLATIONS TO TRAVEL RESERVATIONS

11.1 In the event that the Traveller makes any amendments to an authorised trip prior to the commencement thereof, the TMC must be informed of the amendments.

11.2 These amendments may include amongst others the following: -

11.2.1 Amendments in period of stay

11.2.2 Additional accommodation

11.2.3 Inclusion of hired or chauffeur drive vehicles

11.2.4 Amendments in dates of air tickets

11.2.5 Amendments in amount

11.3 If the Traveller requests any amendments after the commencement of an official trip, the following will apply: -

11.3.1 If it happens during office hours, the Travel Booker must inform the TMC.

11.3.2 In the event of amendments required after hours, the TMC should be contacted, via After Hours Telephone Service.

11.4 If amendments to a trip have financial implications in excess of 20% of the initial amount authorised for the trip, an addendum explaining the reason for the amendments and cost implications thereof must be prepared by the Traveller for approval by the Delegated Authority.

11.5 As soon as the Traveller becomes aware of the cancellation of the trip or any specific component of the trip, the Traveller should inform the TMC immediately to ensure the cancellation of the reservation/s to avoid cancellation/no-show penalties.

12. AFTER HOUR ARRANGEMENTS

12.1 After-hour requests must be limited to late approvals by the Delegated Authority.

12.2 If the Order Number is not available at the time of the after-hour reservation, it must be forwarded to the TMC on the next working day.

12.3 Contact numbers for after-hour services can be obtained from the TMC.

13. SPONSORED TRIPS- Domestic and International

13.1 If the trip is funded by the sponsor, the Municipality will not be responsible for the travel costs.

13.2 If a sponsor requests that the Municipality pays the travel costs upfront and the expenses are only claimed from the sponsor after the trip, it is the responsibility of the Municipality to make the necessary travel arrangements and the Traveller should:

13.2.1 Obtain proof of this arrangement with relevant contact details in writing from the sponsor prior to the trip;

13.2.2 State the conditions in the travel report; and

13.2.3 Provide proof of expenses (i.e. invoices, receipts and/or any other

relevant documents) to the sponsor for claiming purposes.

13.3 Trips that are funded upfront by the sponsor, are considered official trips. However, it will not be the responsibility of the Municipality to make the necessary travel arrangements.

13.4 As a result, the Municipality will not incur any expenses to that effect, with the exception of subsistence allowance, travel insurance and other possible non-funded expenses, except in instances where the Municipality will reclaim expenses from the sponsor.

14. HEALTH AND SAFETY RULES FOR TRAVELLERS

14.1 It is the duty of the Traveller to ensure that he/she is aware of and/or comply with any health requirements and recommended precautions relevant to his/her travel.

14.2 The Traveller should consult his/her doctor or Travel Clinic prior to commencing travel to ensure that the necessary vaccinations are administered.

14.3 A Traveller will only be allowed to enter certain countries if he/she shows proof of the required vaccinations.

14.4 The Traveller must carry the necessary vaccination document with him/her at all times.

14.5 It is not advisable for pregnant women to undertake flights during their first and third trimesters. Pregnant women are advised to consult their doctors before a flight.

15. TRAVEL INSURANCE

15.1 Travellers, where the necessary travel and special leave forms have been duly authorised by the delegated authority, will be insured by the Municipality in terms of its current approved policies, practices and standard operating procedures. Non- officials authorised to travel for the Municipality are also included. The Travel Insurance Policy is available on request.

15.2 Insurance cover is only for the period that the traveller is away from home or place of work on a trip relating to Municipality business. Any other extra days spent by the traveller outside Municipality business will be regarded as private.

15.3 Private vehicles and contents thereof will not be covered under this Policy.

15.4 Hired vehicles are automatically covered for both Super Waiver Damage and Theft by the vehicle rental company.

16. GIFTS AND PROMOTIONAL GOODS

16.1 Where appropriate, the Travellers may offer gifts to their hosts.

16.2 The gifts in question shall be provided by the Municipality, through the appropriate department.

16.3 Suitable promotional and marketing products shall be supplied, on request, by the Communications department of the Municipality.

16.4 Gifts received by Councillors should be declared to the Speaker and gifts received by Officials must be declared to the Municipal Manager.

17. MONITORING, EVALUATION AND REVIEW

17.1 This policy framework is important for the Financial Compliance of the Municipality. It provides an all-inclusive administrative procedure for the management of travel within the Municipality.

17.2 The revised Travel Management Policy shall be implemented once approved by Council.

17.3 Directorates are to ensure that during implementation stages of the policy, there is consistent monitoring and evaluation of the policy.

17.4 Changes in legislation must be taken into account for future amendments to this policy.

17.5 Any amendments to this policy must be re-submitted to Council for review and approval.

18 TRANSPORT ALLOWANCE

18.1 Councillors

An travelling allowance of not more than 25% of the annual total remuneration package of a councillor concerned as determined in terms of Remuneration Of Public Office Bearers Act of 1998 may be included as part of the total package of the councillor.

18.2 Municipal Manager and Senior Managers

The Municipal Manager and Senior Managers shall be required to utilise their own motor vehicle when they is required to travel for purposes relating to their employment and may therefore structure their total cost of employment to provide for a car allowance for tax purposes.

18.3 Other qualifying employees: Fixed Travelling Allowance Scheme (Perk scheme)

All applications for a Transport Allowance shall require the approval of the Municipal Manager. The monthly transport allowance of other qualifying employees will be determined according to their task levels:

T LEVEL	New Transport Allowance	Current Transport Allowance
T 14	R 9,000	R 8,330
T 15	R 10,000	R 8.330
T 16	R 11,000	R 8,330 – 10,925 Higher amounts – personal to incumbent.
T 17+	R 12,000	R 8.330

The monthly allowance will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to employees who participate in the **Fixed Travelling Allowance Scheme (Perk scheme)** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre is R 2.00.

The running cost will increase with 50% of the annual salary increase as agreed upon by the Bargaining Council from 1 July 2017.

18.4 Essential User Transport Allowance

The Essential User Transportation Scheme is paid to employees who need transport to perform duties as an alternative to the provision of official transport.

To be eligible for a regular transport allowance an employee should for six consecutive months in the form prescribed keep record of official trips taken with private vehicles by keeping at least information about the date, route, distance and reason and authorization for each trip. During the six months the employee will be paid an ad hoc monthly transport allowance calculated by multiplying the official distance travelled (limited to 1 166km) by the sum of the fixed and running cost of the relevant vehicle. At the end of six months a reported should be submitted to the municipal manager for consideration of the award of a regular transport allowance based on the average monthly distance travelled for official purposes within the Witzenberg Municipal area..

All applications for an Essential User Transport Allowance including the type of vehicle shall require the approval of the Municipal Manager. Admission to and participation in the scheme is determined on the basis of the need for transportation for official purposes.

The fixed monthly allowance is based on average distance travelled over 6 months. The maximum fixed monthly distance is 1 166 km per month. If the municipal manager approves a monthly distance of more than 1 166 km in special circumstances only the running cost will be payable for the distance in excess of 1 166 km.

If records of distances travelled over a period of six months are not available a log book must be kept and the employee will be paid for the actual official distances travelled to a maximum of 1 166 km per month.

The cost per kilometer payable will be in terms of the Collective agreement and the Circulars issued by the South African Local Government Bargaining Council pertaining to the Essential User Scheme. The remuneration will encompass both the fixed cost and running cost per kilometre

The employer or employee can terminate participation in this scheme with six months' notice. Reimbursement of travelling expenses to destinations outside of the Municipality's jurisdictional area, shall be payable to Employees who participate in the **Essential User Transportation Scheme** as per kilometres measured from the employee's location or place of residence, whichever is the shortest. The tariff per kilometre will is according to the running cost of the scheme.

19. COMMENCEMENT AND REVIEW

19.1 This policy is effective from the date on which it is adopted by Council. If any legislation is enacted or amended that conflicts with any part of this Policy, such legislation will take precedence and will be implemented by the Municipality without amending this Policy. Amendment of the Policy would be done as expeditiously as possible.

19.2 The Municipality Manager must, annually, review the implementation of this Policy and if she/he considers it necessary, submit proposals for the amendment of the Policy to the Council for approval.

WC022 Witzenberg - Supporting Table SA36 Detailed capital budget

R thousand						2020/21 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Own Strategic Objectives	Ward Location	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality:								
List all capital projects grouped by Function								
Core Function:Community Parks (including	CAPEX: cherry picker	Communal Services	WC022 Witzenberg:Whole of the Municipali	1 461	–	–	–	–
Core Function:Electricity	Capex Electrical Network Replacement	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	1 163	–	–	–
Core Function:Electricity	Capex Electrical Network Housing Project	Essential Services	WC022 Witzenberg:Whole of the Municipali	4 217	3 043	–	–	–
Core Function:Sewerage	Capex Vredebes Housing Sanitation	Essential Services	Ward:Ceres	7 000	–	–	–	–
Core Function:Sewerage	Capex Aerator replacement programme	Essential Services	WC022 Witzenberg:Whole of the Municipali	625	809	–	–	–
Core Function:Solid Waste Removal	Capex Transfer Stations & Related Infrastru	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Parks (including	Capex CHAINSAWS	Communal Services	WC022 Witzenberg:Whole of the Municipali	38	44	–	–	–
Core Function:Community Parks (including	Capex Plant & Equipment	Communal Services	WC022 Witzenberg:Whole of the Municipali	72	–	–	–	–
Core Function:Community Parks (including	CAPEX: MOBILE TOILETS	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Parks (including	Capex BESPROEIINGSTOERUSTING(PYF	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Parks (including	CAPEX: containers x2	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	40	–	–	–
Core Function:Community Parks (including	CAPEX: SLASHER X2	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Parks (including	Capex BESPROEIINGSTOERUSTING	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Parks (including	Capex BLOWER MOWER	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Parks (including	Capex BRUSHCUTTERS	Communal Services	WC022 Witzenberg:Whole of the Municipali	93	36	–	–	–
Core Function:Community Halls and Faciliti	EQUIPMENT: E.G. BUFF MASJIEN, VACU	Communal Services	WC022 Witzenberg:Whole of the Municipali	39	–	–	–	–
Core Function:Finance	Capex Insurance Replacements	Governance	WC022 Witzenberg:Whole of the Municipali	9	50	–	–	–
Core Function:Marketing, Customer Relatio	CAPEX: Camera and photographic equimer	Governance	WC022 Witzenberg:Whole of the Municipali	24	–	–	–	–
Core Function:Marketing, Customer Relatio	CAPEX: Access Control - Furniture and Equ	Governance	WC022 Witzenberg:Whole of the Municipali	20	100	–	–	–
Core Function:Roads	CAPEX: New taxi facility at the corner of Vo	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Community Halls and Faciliti	Capex AIRCONS STADSAAL CERES	Communal Services	Ward:Ceres	–	500	–	–	–
Core Function:Community Halls and Faciliti	Capex TULBAGH STADSAAL	Communal Services	Ward:Tulbagh	–	–	–	–	–
Core Function:Community Halls and Faciliti	Capex CERES STADSAAL: VERVANG 650	Communal Services	Ward:Ceres	–	238	–	–	–
Core Function:Community Parks (including	Capex SPEELAPPARATE PARKE	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Water Distribution	Capex Boreholes Morisdale Park	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Community Halls and Faciliti	Capex Op-Die-Berg Hall	Communal Services	Ward:Op-die-Berg	–	–	–	–	–
Core Function:Community Parks (including	Capex Morisdale Park Equipment	Communal Services	Ward:Ceres	–	–	–	–	–

Function	Project Description	Own Strategic Objectives	Ward Location	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Core Function:Police Forces, Traffic and Str	Capex Test Centre	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	330	–	–	–
Core Function:Water Distribution		Essential Services	WC022 Witzenberg:Whole of the Municipali	527	–	–	–	–
Core Function:Recreational Facilities	Capex Eiland Swimming Pool	Communal Services	Ward:Wolseley	88	–	–	–	–
Core Function:Solid Waste Removal	Capex Transfer stations and related infrastr	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	501	–	–	–
Core Function:Roads	CAPEX: Vredebes Acces Collector	Essential Services	Ward:Ceres	10 361	–	–	–	–
Core Function:Water Distribution	Capex Tools & Equipment- New	Essential Services	WC022 Witzenberg:Whole of the Municipali	100	326	–	–	–
Core Function:Solid Waste Removal	Capex Vehicle Replacement Programme	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	3 573	–	–	–
Core Function:Finance	Capex Office Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	85	30	–	–	–
Core Function:Sewerage	Capex Ceres Vredebes New Bulk Sanitatior	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Sewerage	Capex Refurbishment WWTW	Essential Services	WC022 Witzenberg:Whole of the Municipali	725	600	–	–	–
Core Function:Public Toilets	Capex Op Die Berg Public Toilets	Essential Services	Ward:Op-die-Berg	–	1 300	–	–	–
Core Function:Roads	Capex Network Street	Essential Services	WC022 Witzenberg:Whole of the Municipali	269	2 000	–	–	–
Core Function:Electricity	CAPEX: Power Factor Correction	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	217	55	–	–	–
Core Function:Storm Water Management	Capex Vredebes Housing Storm water	Essential Services	Ward:Ceres	4 000	–	–	–	–
Core Function:Community Parks (including	CAPEX: SPREILIGTE PINE VALLEY	Communal Services	Ward:Wolseley	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex PAH STADSAAL	Communal Services	Ward:PA Hamlet	–	–	–	–	–
Core Function:Pollution Control	Capex AANKOOP VAN GROND EN OPRI	Communal Services	Ward:Tulbagh	–	–	–	–	–
Core Function:Street Lighting and Signal Sy	CAPEX: Housing Projects Streetlights	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Information Technology	CAPEX: It Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	634	666	–	–	–
Core Function:Community Parks (including	Capex KRUIPSPUITE	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Solid Waste Removal	Capex Vehicle Replacement Programme	Essential Services	WC022 Witzenberg:Whole of the Municipali	509	–	–	–	–
Core Function:Water Distribution	Capex Vredebes Housing Water	Essential Services	Ward:Ceres	7 000	–	–	–	–
Core Function:Recreational Facilities	Capex Fencing - Pine Forest	Communal Services	Ward:Ceres	–	–	–	–	–
Core Function:Economic Development/Plan	Capex Skoonvlei Economic Hub	Socio-Economic Support Services	Ward:Bella Vista	491	1 577	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	–	26	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	18	30	–	–	–
Core Function:Sewerage	Capex Sewer Pumps-replacement	Essential Services	WC022 Witzenberg:Whole of the Municipali	274	243	–	–	–
Core Function:Community Parks (including	CAPEX: KRAG OP DIE BERG SPORTGR	Communal Services	Ward:Op-die-Berg	–	–	–	–	–
Core Function:Community Halls and Facilitie	VERHOOGGORDYNE : BELLA VISTA	Communal Services	Ward:Bella Vista	–	–	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	41	45	–	–	–
Core Function:Municipal Manager, Town Se	Capex Office Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	27	98	–	–	–
Core Function:Water Distribution	Capex Telemetric Systems	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Marketing, Customer Relatio	Capex Signage & Billboards	Governance	WC022 Witzenberg:Whole of the Municipali	103	140	–	–	–
Core Function:Community Parks (including	Capex SOKKERNETTE	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–

Function	Project Description	Own Strategic Objectives	Ward Location	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Core Function:Community Halls and Facilitie	Capex Opgradering van Stadsaal	Communal Services	Ward:Ceres	–	600	–	–	–
Core Function:Sewerage	Capex Sewer Network Replacement	Essential Services	WC022 Witzenberg:Whole of the Municipali	1 026	1 082	–	–	–
Core Function:Sewerage	CAPEX: Vredebes Bulk Sanitation	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Roads	Capex Vredebes Housing Roads	Essential Services	Ward:Ceres	7 744	–	–	–	–
Core Function:Water Distribution	Capex Security upgrades	Essential Services	WC022 Witzenberg:Whole of the Municipali	711	350	–	–	–
Core Function:Sewerage	Capex Security upgrades	Essential Services	WC022 Witzenberg:Whole of the Municipali	844	300	–	–	–
Core Function:Roads	Capex Rehabilitation - Streets Tulbagh	Essential Services	Ward:Tulbagh	11 152	–	–	–	–
Core Function:Fleet Management	Capex Tools & Equipment	Essential Services	WC022 Witzenberg:Whole of the Municipali	68	1 757	–	–	–
Core Function:Electricity	CAPEX: Tools & Equipment	Essential Services	WC022 Witzenberg:Whole of the Municipali	102	160	–	–	–
Core Function:Community Halls and Facilitie	Capex GASHEATERS CERES	Communal Services	Ward:Ceres	–	–	–	–	–
Core Function:Roads	Capex Traffic Calming	Essential Services	WC022 Witzenberg:Whole of the Municipali	150	150	–	–	–
Non-core Function:Housing	Capex Fencing Maple Park	Socio-Economic Support Services	Ward:Ceres	–	–	–	–	–
Core Function:Administrative and Corporate	CAPEX: Upgrade Council chambers	Governance	Ward:Ceres	21	1 500	–	–	–
Core Function:Roads	CAPEX: Fire Arms	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	165	–	–	–
Core Function:Community Parks (including	CAPEX: RESURFACE NETBALL COURTS	Communal Services	Ward:Wolseley	290	–	–	–	–
Core Function:Community Parks (including	CAPEX: 1.3 T TRUCK	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	523	–	–	–
Core Function:Community Halls and Facilitie	Capex VERHOOGGORDYNE : TULBAGH S	Communal Services	Ward:Tulbagh	90	–	–	–	–
Core Function:Roads	Capex Digger loaders	Essential Services	WC022 Witzenberg:Whole of the Municipali	991	–	–	–	–
Core Function:Recreational Facilities	Capex Plant & Equipment	Communal Services	WC022 Witzenberg:Whole of the Municipali	145	–	–	–	–
Core Function:Community Parks (including	Capex FENCING GRAVEYARDS	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Community Halls and Facilitie	Capex OPGRADEER MONTANASAAL: WC	Communal Services	Ward:Wolseley	–	–	–	–	–
Core Function:Water Distribution	Capex Network- Water Pipes & Valve Repla	Essential Services	WC022 Witzenberg:Whole of the Municipali	1 200	918	–	–	–
Core Function:Community Halls and Facilitie	BUFFMASJIEN WITZENVILLE SAAL	Communal Services	Ward:Tulbagh	–	–	–	–	–
Core Function:Community Halls and Facilitie	3X3 M CONTAINER	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	500	–	–	–
Core Function:Storm Water Management	Capex Network - Storm Water Upgrading	Essential Services	WC022 Witzenberg:Whole of the Municipali	300	450	–	–	–
Core Function:Fleet Management	Capex Tools & Equipment	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Recreational Facilities	Capex Furniture & Equipment for Chalets	Communal Services	Ward:Ceres	–	–	–	–	–
Core Function:Recreational Facilities	Capex Furniture & Equipment	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Finance	Capex IT Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	581	–	–	–	–
Core Function:Water Distribution	Capex Ceres: Bella Vista New Bulk Water	Essential Services	Ward:Bella Vista	–	–	–	–	–
Core Function:Water Distribution	Capex Tulbagh Dam	Essential Services	Ward:Tulbagh	2 529	15 214	–	–	–
Core Function:Water Distribution	Vredebes Bulk Water Supply	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Water Distribution	Capex Ceres: Bella Vista Bulk Water	Essential Services	Ward:Bella Vista	–	–	–	–	–
Core Function:Water Distribution	Capex Ceres: Vredebes New Bulk Water	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Finance	Capex Computer Equipment	Governance	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–

Function	Project Description	Own Strategic Objectives	Ward Location	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Core Function:Water Distribution	Capex Drought Relief - Boreholes at Tulbag	Essential Services	Ward:Tulbagh	–	–	–	–	–
Core Function:Electricity	Capex Fencing Wolseley Stores	Essential Services	Ward:Wolseley	–	–	–	–	–
Core Function:Street Lighting and Signal Sy	Capex Streetlights	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	–	–	–	–
Core Function:Electricity	Capex MV Substation Equipment	Essential Services	WC022 Witzenberg:Whole of the Municipali	701	1 250	–	–	–
Core Function:Electricity	Capex Upgrade of LV Network Cables	Essential Services	WC022 Witzenberg:Whole of the Municipali	1 396	1 287	–	–	–
Core Function:Electricity	Capex MV Network Equipment	Essential Services	WC022 Witzenberg:Whole of the Municipali	2 345	1 000	–	–	–
Core Function:Street Lighting and Signal Sy	Capex Upgrade of Streetlights	Essential Services	WC022 Witzenberg:Whole of the Municipali	490	350	–	–	–
Core Function:Street Lighting and Signal Sy	Capex Vredebes Streetlights	Essential Services	WC022 Witzenberg:Whole of the Municipali	1 560	821	–	–	–
Core Function:Water Distribution	Capex Nduli Housing Water	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Sewerage	Capex Nduli Housing Sanitation	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Solid Waste Disposal (Landfi	Capex New Material Recovery Facility/Drop	Essential Services	WC022 Witzenberg:Whole of the Municipali	603	1 870	–	–	–
Core Function:Fire Fighting and Protection	Capex Fire Fighting Equipment	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	275	–	–	–
Core Function:Electricity	Capex Upgrade of MV Cables	Essential Services	Ward:Wolseley	567	60	–	–	–
Core Function:Recreational Facilities	Capex Furniture Chalets	Communal Services	Ward:Ceres	148	–	–	–	–
Core Function:Roads	Capex Nduli Housing Roads	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Roads	Capex Upgrade pavement Vosstr from Retie	Essential Services	Ward:Ceres	–	4 008	–	–	–
Core Function:Roads	Capex Upgrade Van Breda Bridge	Essential Services	Ward:Ceres	2 242	972	–	–	–
Core Function:Roads	Capex Pedestrian Route along R46/Nduli	Essential Services	Ward:N'duli	–	870	–	–	–
Core Function:Roads	Capex New Vredesbes/Nduli St Intersection	Essential Services	Ward:N'duli	–	–	–	–	–
Core Function:Storm Water Management	Capex Nduli Housing Storm Water	Essential Services	Ward:Ceres	–	–	–	–	–
Core Function:Storm Water Management	Capex Vredebes New Storm water Channel	Essential Services	WC022 Witzenberg:Whole of the Municipali	8 088	3 391	–	–	–
Core Function:Water Distribution	Capex Infrastructure Management System	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	576	–	–	–
Core Function:Fire Fighting and Protection	Capex Firefighting Response Vehicle	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	722	–	–	–
Core Function:Community Halls and Facilitie	Capex Irrigation Equipment For Parks	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	1 000	–	–	–
Core Function:Roads	Capex Vredebes Ph1 Bus Route	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	1 786	–	–	–
Core Function:Roads	Capex Pavement Upgrading	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	500	–	–	–
Core Function:Libraries and Archives	CAPEX Upgrade John Steyn Library	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	1 900	–	–	–
Core Function:Roads	Capex Rehabilitation of Streets	Essential Services	WC022 Witzenberg:Whole of the Municipali	–	3 000	–	–	–
Core Function:Water Distribution	Capex Fencing	Governance	WC022 Witzenberg:Whole of the Municipali	–	2 099	–	–	–
Core Function:Cemeteries, Funeral Parlours	Capex Expanding of existing cemetery	Communal Services	WC022 Witzenberg:Whole of the Municipali	–	200	–	–	–
Core Function:Community Halls and Facilitie	Capex Upgrade of Kononia Community Hall	Communal Services	Ward:Bella Vista	–	48	–	–	–
Core Function:Community Parks (including	Capex Sportsground Development & Upgra	Communal Services	Ward:Ceres	637	–	–	–	–
Core Function:Sports Grounds and Stadium	Capex Upgrade of Leyell Str Sport facilities	Communal Services	Ward:Ceres	–	12 071	–	–	–

Function	Project Description	Own Strategic Objectives	Ward Location	Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Core Function:Water Distribution	CAPEX - Grey Water System	Essential Services	WC022 Witzenberg:Whole of the Municipali	457	–	–	–	–
Core Function:Sports Grounds and Stadium	Capex Upgrade of Sport Facilities	Communal Services	WC022 Witzenberg:Whole of the Municipali	346	–	–	–	–
Electricity	Capex MV Substation Equipment	Essential Services	Whole of the Municipality	–	–	1 000	500	1 000
Electricity	Capex Upgrade of LV Network Cables	Essential Services	Whole of the Municipality	–	–	500	–	1 000
Information Technology	CAPEX: It Equipment	Governance	Whole of the Municipality	–	–	450	–	600
Roads	Capex Upgrade Van Breda Bridge	Essential Services	Ceres	–	–	5 028	41 550	2 593
Roads	Capex Nduli Housing Roads	Essential Services	Ceres	–	–	12 547	–	1 565
Sewerage	Capex Sewer Network Replacement	Essential Services	Whole of the Municipality	–	–	500	–	1 500
Sewerage	Capex Refurbishment WWTW	Essential Services	Wolseley	–	–	1 500	–	–
Community Halls and Facilities	EQUIPMENT: E.G. BUFF MASJIEN, VACU	Communal Services	Whole of the Municipality	–	–	430	–	80
Solid Waste Disposal (Landfill Sites)	Capex New Material Recovery Facility/Drop	Essential Services	Whole of the Municipality	–	–	9 356	12 384	–
Sewerage	Capex Security upgrades	Essential Services	Whole of the Municipality	–	–	840	–	–
Sewerage	CAPEX Vredebes Phase H Bulk sewerage p	Essential Services	Ceres	–	–	10 228	–	–
Storm Water Management	Capex Nduli Housing Storm Water	Essential Services	Ceres	–	–	13 819	–	–
Water Distribution	CAPEX Vredebes Phase H Bulk water pipel	Essential Services	Ceres	–	–	476	–	8 026
Water Distribution	Capex Nduli Housing Water	Essential Services	Ceres	–	–	9 489	–	–
Mayor and Council	CAPEX: Upgrade Council chambers	Governance	Ceres	–	–	600	–	–
Sports Grounds and Stadiums	Capex Upgrade of Leyell Str Sport facilities	Communal Services	Ceres	–	–	870	–	–
Water Distribution	Capex Tulbagh Dam	Essential Services	Tulbagh	–	–	16 931	17 391	–
Electricity	Capex MV Network Equipment	Essential Services	Whole of the Municipality	–	–	1 000	–	2 000
Roads	Capex Network Street	Essential Services	Whole of the Municipality	–	–	1 800	–	2 000
Roads	CAPEX Tulbagh Steinthalweg walkways	Essential Services	Tulbagh	–	–	870	935	–
Sports Grounds and Stadiums	CAPEX Sportfield equipment	Communal Services	Whole of the Municipality	–	–	30	–	30
Water Distribution	Capex Network- Water Pipes & Valve Repla	Essential Services	Whole of the Municipality	–	–	500	–	1 500
Water Distribution	CAPEX Op-Die-Berg Reservoir	Essential Services	Op-Die-Berg	–	–	–	11 279	–
Community Halls and Facilities	Capex New Regional Cemetery	Communal Services	Whole of the Municipality	–	–	–	137	4 819
Sewerage	CAPEX Nduli Infill Internal Sewerage	Essential Services	Ward:N'duli	–	–	–	11 320	–
Electricity	Capex Electrical Network Housing Project	Essential Services	Ceres	–	–	–	3 000	4 000
Roads	CAPEX Nduli Infill Internal Roads	Essential Services	Ward:N'duli	–	–	–	11 320	–
Storm Water Management	CAPEX Nduli Infill Internal Storm water	Essential Services	Ward:N'duli	–	–	–	11 320	–
Electricity	Capex Vredebes Streetlights	Essential Services	Ceres	–	–	–	1 565	–
Community Halls and Facilities	CAPEX: New taxi facility at the corner of Vo	Essential Services	Ceres	–	–	–	174	6 826
Water Distribution	CAPEX Nduli Infill Internal Water	Essential Services	Ward:N'duli	–	–	–	11 320	–
Fire Fighting and Protection	Capex Firefighting Response Vehicle	Communal Services	Whole of the Municipality	–	–	–	–	800
Parent Capital expenditure				86 590	81 290	88 764	134 196	38 340

NATIONAL TREASURY

MFMA Circular No. 98

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2020/21 MTREF

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1. Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR); and strives to support the budget preparation processes of municipalities so that the minimum requirements of the MBRR promulgated in 2009 are achieved.

In 2010, the National Treasury introduced the local government budget and financial reform agenda. Since then several projects to further this agenda have been introduced. The recent implementation of the municipal Standard Chart of Accounts *(m*SCOA*)* and the accompanying "game changers" signals a smarter way forward to strengthening local government finances.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake the annual budget preparation in accordance with the budget and financial reform agenda and the associated "game changers".

Municipalities are reminded to refer to the previous annual budget circulars for guidance on budget preparation issues that are not covered in this circular.

2. The South African economy and inflation targets

In the 2019 Medium Term Budget Policy Statement (MTBPS) tabled by the Minister of Finance on 30 October 2019, he stated that, he is tabling the 2019 MTBPS in a difficult global and domestic environment. The global growth forecast for 2019 is the lowest since the 2008 financial crisis, weighed down by mounting trade tensions and political uncertainty. Economic activity in two engines of the world economy, namely China and India, is also slowing this year. Policy makers have taken a number of steps to support growth, but there is a risk that these measures will create new vulnerabilities, as interest rates in advanced economies decline. About a quarter of government bonds in these countries have negative yields.

In South Africa, economic growth has continued to stagnate and weaknesses in the world economy are likely to amplify our own challenges. The discussion paper termed the Economic transformation, inclusive growth, and competitiveness released by the National Treasury has proposed a number of economic reforms that might boost GDP growth over the medium and longer term, and support increased investment and job creation. These measures have been broadly agreed on within government. The next step is to implement the reforms urgently. Nevertheless, the economy has continued to weaken with the economic growth projected to grow at 1.2 per cent in the 2020/21 financial year, while long term estimates have fallen prompting government to review its outer year's estimates.

In addition to low growth, South Africa's biggest economic risk is Eskom. Ongoing problems with the utility's operations continue to disrupt the supply of electricity to households and businesses. Government has allocated significant resources to assist Eskom. With the immediate financial restraints lifted, the focus must be on operational problems and restructuring Eskom into three separate entities. Doing so will mark the beginning of a transition to a competitive, transparent and financially viable electricity sector.

South Africa's public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. For 10 years, the country has run large budget deficits. This has put us deeply in debt, to the point where interest payments have begun crowding out social and economic spending programmes. This cannot be sustained.

Government proposed a range of expenditure reductions to restore the public finances to a sustainable position, some of which are likely to be painful. We owe it to future generations to ensure that we are good stewards of our country's resources and that they do not have to pay for faults in our decision-making.

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2018 - 2022

Fiscal year	2018/19	2019/20	2020/21	2021/22	2022/23
	Actual	Estimate	Forecast		
CPI Inflation	4.7%	4.3%	4.9%	4.8%	4.8%

Source: Medium Term Budget Policy Statement 2019.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

3. Key focus areas for the 2020/21 budget process

3.1 Division of Revenue outlook

Municipal governments face multiple pressures over the period ahead with local government expected to expand access to free basic service to poor households, while ensuring that those who can afford to pay for services do so.

The 2020 MTEF includes large reductions in planned transfers to municipalities. The implication of these reductions is that municipalities will be required to reprioritise projects. Larger reductions in grants are mainly affecting urban municipalities which have the capacity to offset the effects of these cuts from their own revenue investments.

A notable revision is that of the Public Transport Network Grant (PTNG) which has funded 13 cities over the past decade, yet only six have launched operations. In the 2020 MTEF, the grant will be allocated only to 10 cities and these cities will be required to reduce their costs and to demonstrate their effectiveness to receive PTNG funding.

3.2 Local government conditional grants and additional allocations

The proposed division of revenue is still biased towards prioritising funding services for poor communities. Allocations to local government subsidise the cost of delivering free basic services to the less fortunate and the poorest of the poor households, and the infrastructure needed to deliver those services, as well as the maintenance of the infrastructure to ensure the sustainable delivery of these services.

The 2019 Medium Term Budget Policy Statement (MTBPS) projects transfers for local government for the 2020 MTREF at R397 billion, of which 62.2 per cent comprise unconditional allocations while the remainder is conditional grant funding. The allocations for local government over the medium term represent 8.6 per cent of non-interest expenditure and a slight decrease from the 8.9 per cent realised in the 2018 budget.

The equitable share and the allocation of the general fuel levy to local government constitutes unconditional funding. Municipalities are reminded that this funding allocation is formula driven and designed to fund the provision of free basic services to disadvantaged communities. Conditional grant funding must be utilised for the intended purpose within the timeframes, as specified in the annual Division of Revenue Bill. Monies not spent must be returned to the fiscus and requests for roll-overs will only be considered in extenuating circumstances.

The annual Division of Revenue Bill will be published in February 2020 after the budget speech by the Minister of Finance. The grant allocations will be specified in this Bill and municipalities must reconcile their budgets to the numbers published therein.

Municipalities are advised to use the indicative numbers presented in the 2019 Division of Revenue Act to compile their 2020/21 MTREF. In terms of the outer year allocations (2021/22 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2019 Division of Revenue Act for 2021/22. The DoRA is available at http://www.treasury.gov.za/documents/national%20budget/2019/default.aspx

3.3 Changes to the structure of local government allocations

The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Large urban municipalities continue to underinvest in infrastructure, primarily because of poor programme and project preparation practices, leading to long delays, higher costs and breakdowns in service delivery. While public and private capital funding is available, these weaknesses translate into low levels of effective demand from the municipalities.

To address these problems, from 2020/21 government will introduce dedicated grant funding for large urban municipalities. Eligible municipalities will receive co-financing on a declining basis over three years. Financing will be conditional on establishing a municipal project preparation fund and an infrastructure delivery management system, and achieving targets for programmes and projects under preparation. Funding for this new facility will be reprioritised from existing allocations to municipalities.

Government is also working with municipalities to increase their revenue raising potential. The Municipal Fiscal Powers and Functions Amendment Bill, which will be tabled shortly, will standardise the regulation of development charges. Development charges are the mechanism by which municipalities recover the capital costs of connecting new developments to infrastructure for water, roads, electricity and other services. Currently, these charges are frequently below cost, so municipalities effectively subsidise the provision of infrastructure to businesses and other developments, reducing their ability to subsidise infrastructure directly for lower-income residents.

The change could increase municipal revenues for capital spending by an estimated R20 billion a year. Several efforts are also under way to improve the effectiveness of transfers to rural municipalities. The possibility of using municipal infrastructure grant funds to buy waste management vehicles, which must be purchased through a contract facilitated by the National Treasury to minimise costs, is being investigated to expand services in rural areas. Funds may be reprioritised between water and sanitation grants to accelerate the completion of regional bulk water schemes.

The Department of Energy will complete an electrification master plan to guide the future allocation of funds between the Eskom, municipal, and non-grid components of the Integrated National Electrification Programme. The Department of Transport will establish a national database for all road traffic and condition data to inform the prioritisation and monitoring of road maintenance across all roads.

3.4 Addressing unfunded budgets in local government

A revised strategy to address municipal financial performance failures has been endorsed by the Budget Council and Budget Forum (the respective intergovernmental forums for provincial and local government finances). This strategy is based on an analysis of performance failures in governance, financial management, institutional capabilities and service delivery. As part of this strategy, municipalities must ensure that their budgets are adequately funded.

The number of councils adopting unfunded budgets, where realistically anticipated revenue is insufficient to cover planned spending sustainably, increased from 74 in 2016/17 to 126 in 2019/20. The National Treasury, alongside provincial treasuries, has provided extensive advice and support to ensure that municipalities plan affordable expenditure and collect all the revenue owed to them. All municipalities are able to table a funded budget. This is easier for transfer-dependent municipalities as they have more predictable revenue and can plan their spending accordingly.

The 126 municipalities with unfunded budgets were required to table special adjustments budgets to align their spending plans with projected revenues and ensure they have plans in place to pay their creditors (including Eskom and the water boards). Those municipalities that did not table funded adjustments budgets by 15 November 2019 had their December 2019 tranche of the local government equitable share withheld as the MFMA requires that a municipality must table a funded budget.

Municipalities who are finding it difficult to table funded and sustainable budgets should contact National or their respective provincial treasury for assistance to reprioritise their budgets.

3.5 Municipal Standard Chart of Accounts (*m*SCOA)

3.2.1 Release of Version 6.4 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.4 is released with this circular (see Annexure A). Version 6.4 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF and is available on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

3.2.2 Budgeting, transacting and reporting in an mSCOA environment

The *m*SCOA Regulations[1] prescribes the uniform recording and classification of municipal budget and financial information at a transaction level. All municipalities and municipal entities had to comply with the Regulations by 01 July 2017.

This standard classification framework enforces the link between planning (IDP) and the budget through the project segment and enables annual reporting and performance management linked to strategic service delivery objectives.

By now, all municipalities should:

- Have acquired, upgraded and maintain the hardware, software and licences required to be and remain *m*SCOA compliant;

[1] The Minister of Finance promulgated the Municipal Regulations on a Standard Chart of Accounts in government gazette Notice No. 37577 on 22 April 2014.

- Budget, transact and report on all six (6) legislated *m*SCOA segments and directly on the core financial system and submit the required data strings directly from this system to the Local Government Portal;
- Lock down the budget adopted by Council on the core municipal financial system before submitting the budget (ORGB) data string to the local government portal;
- Closed the core financial system at month-end as required in terms of the MFMA before submitting the monthly data string to the local government portal; and
- Generate regulated Schedules (A, B, C) directly from the core municipal financial systems.

If your municipality has not achieved the above level of implementation as yet, then the implementation of *m*SCOA in your municipality should be accelerated. Towards this end:

- A road map must be provided to the National and respective provincial treasury to indicate how the municipality will be become *m*SCOA compliant;
- The municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer) must meet at least monthly (if not more often) to track the progress against the road map and take corrective action where required;
- The National Treasury (in the case of non-delegated municipalities) and respective provincial treasury (in the case of delegated municipalities) should be invited to the *m*SCOA Project Steering Committee meeting; and
- Progress against the road map should be presented at the Mid-Year Budget and Performance and Budget Benchmark engagements.

3.2.3 Changing of the Core Financial System

Municipalities are reminded to follow the required due diligence processes in terms of MFMA Circulars No. 80 and 93 and *m*SCOA Circulars No. 5 and 6 when they procure a core financial system.

In addition, if a municipality enters into a contract with a system vendor for the maintenance of the procured system that will impose financial obligations on the municipality beyond the three years covered in the MTREF budget, then the provisions of Section 33 of the MFMA should be adhered to.

Service level agreements (SLA) with system vendors must also be managed properly. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the agreed upon milestones are not met by the system vendor. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA.

The National Treasury will conduct independent audits on all municipal core financial systems in 2020 to determine to what extend these systems comply with the functionality requirements and 15 business processes required in terms of *m*SCOA. These results will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2021. Until these audits have been concluded and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that do not comply with the necessary *m*SCOA functionality requirements.

Municipalities are advised to use their internal audit function to ensure that the correct process was followed. Internal audit must ensure that the municipality has complied with the requirements of MFMA Circulars No. 80 and 93, *m*SCOA Circulars No. 5 and 6 and Section 33 of the MFMA when they procure a core financial system and/or enter into an SLA with a

system vendor. The reports on these matters of internal audit must be tabled to the audit committee and at municipal council for consideration.

3.2.4 Submission of Borrowing Monitoring and Investment Monitoring Data Strings

Chapter 3 of the *m*SCOA Regulations provides that the Minister of Finance may determine minimum business processes and system requirements through issuing a gazette. MFMA Circular No. 80 provided guidance on these requirements for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

It should be noted that National Treasury will expand the requirements applicable to categories B and C municipalities in 2020 to include business processes and system functionality relating to investment, borrowing or performance management. The expanded requirements will provide the basis for the new transversal contract for the appointment of service providers for an integrated financial management and internal control system for local government that might be issued in 2021, as well as the minimum business and system requirements that will be gazetted at a future date, as envisaged in the Regulation.

In the interim, categories B and C municipalities that have not procured investment, borrowing or performance management modules, will have to prepare and submit their quarterly Investment Monitoring and Borrowing Monitoring data strings to the Local Government Portal manually.

3.2.5 Cash Flow Reconciliation

The cash flow information presented on Table A7 of Budget Schedule A and Table B7 of Adjustments Budget Schedule B did not reconcile to the corresponding data strings for the past two financial years. One of the contributing factors to this was that there were errors in the linkages in the segment item: asset and liabilities on the Local Government Database. National Treasury has now corrected these linkages in the segment item: asset and liabilities.

It was further noticed that a number of municipalities do not use the movement accounts correctly in the *m*SCOA chart which distorts the figures reported in the cash flow tables. Guidance on the use of movement accounts is provided in **Annexure A**.

4. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. Even as demand for services rises, weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them, and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide to service their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of

persons per household means that the revenue foregone in respect of free basic services will likely increase and it will become even more difficult to collect revenue. The household budget will be under pressure and trade-offs will be applied as it may be unaffordable to pay all household expenses with regularity.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the* projected inflation target for 2020/21** in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

4.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, item 3.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2020/21 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will provide an indication of where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the deeds office registry. In accordance with the MFMA Circular No. 93, municipalities are once more requested to submit the required information to the National Treasury by no later than 7 February 2020.

The above information must be submitted on a CD or USB to the National Treasury, for attention:

For couriered documents
Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents
Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

4.2 Setting cost reflective tariffs

Cost reflective tariff setting is a requirement of Section 74(2) of the Municipal Systems Act, 2000 (Act No.32 of 2000) which states that tariffs must "*reflect the costs reasonably associated with rendering the service*". This is meant to assist municipalities to generate sufficient revenue to fully recover their costs, deliver services to customers sustainably and invest in infrastructure that promotes local economic development.

The starting point for sound tariff setting is a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate to sustainably provide services. **If the budget is not credible then tariffs will not result in financial sustainability even if they are set using a sound methodology**.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively:

- An *effective* budget is one that is adequate to deliver a service of the necessary quality on a sustainable basis.
- An *efficient* budget is one that delivers services at the lowest possible cost.

In many cases, municipal budgets have costs that are bloated in some areas (high governance and administration costs are one commonly cited example) but inadequate in other areas (inadequate allowance for maintenance is an example). This means that a budget may be both ineffective and inefficient. Before embarking on the tariff setting process, a municipality must assess its budget to determine its efficiency and effectiveness. Ideally, a budget should be zero-based, at least periodically. This would typically require an assessment of what infrastructure is in place and what is needed to operate and maintain this infrastructure.

There are several tools and methodologies to support municipalities in setting tariffs. The common observation is that these tools and methodologies are not aligned. This creates confusion on the approach to be applied. Research has further identified that many municipalities set tariffs through an incremental method and not a scientific method. As a result, many municipalities do not recover the cost of providing that service.

Against this background an exercise was undertaken to bring certainty when setting tariffs. A tool and guide has been developed by National Treasury for this purpose and caters for all categories of municipalities. It also assists those municipalities that lack credible data which is the corner stone for setting a proper tariff. The emphasis is on setting tariffs for the four trading services namely water, sanitation, electricity and solid waste. The methodology follows an approach to tariff setting consistent with existing methodologies developed by SALGA, the NERSA Cost of Supply Framework for electricity, and the DWS Norms and Standards for water services.

The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website.

http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08

Setting cost reflective tariffs is the start to improved budgeting and financial sustainability.

How will reducing Non-Revenue Water and Non-Revenue Electricity bring down the tariffs required?

Many municipalities have very high levels of Non-Revenue Water (NRW), and some also have high levels of Non-Revenue Electricity (NRE). NRW and NRE can be broken down into 'technical' and 'non-technical' losses*.

Technical losses are related to physical losses out of the system. In the case of water, this is

due to pipe bursts and leakages or due to overflows on storage tanks. In the case of electricity, these are due to resistive losses and other similar effects. The cost of real losses sits in the bulk portion of the bulk purchases cost or if a municipality is performing the bulk water function internally, a portion of the costs associated with bulk water treatment and supply. If a municipality reduces its real losses, it will lose less water and electricity from the system and the cost of purchasing water and electricity or treating bulk water will be reduced.

Non-technical losses refer to losses due to theft or to metering inaccuracies. In these cases, there is no physical loss of water or electricity: someone is using the water or electricity and simply not paying for it. Reducing non-technical losses will have no effect on the cost of supplying a service but it will have an effect on the volumes sold. Since the tariff is calculated as the revenue required divided by the volume sold, increasing the volume sold will reduce the tariff required.

Reducing technical losses will thus reduce the tariffs required because the cost of supplying the service will be reduced. Reducing non-technical losses will reduce the tariffs required because the volumes sold will be increased.

Note that the International Water Association (IWA) uses the term 'real losses' and not technical losses, and 'apparent losses' in place of 'non-technical losses'.

4.3 Bulk electricity tariffs

Final electricity bulk price increases for 2020/21 are uncertain at this stage. Although the National Energy Regulator of South Africa (NERSA) has approved a Multi-Year Price Determination (MYPD) for the period from 1 April 2019 to 31 March 2022, Eskom has submitted an urgent application to the courts to revise the bulk tariffs allowed under the MYPD. In their most recent MYPD decision, NERSA allowed for tariff increases of 9.41 per cent in 2019/20, 8.1 per cent in 2020/21 and 5.22 per cent in 2021/22 (for national financial years). However, Eskom disagrees with the way NERSA accounted for the R23 billion per year in fiscal support from government in determining Eskom's allowable revenue for this MYPD period. Eskom has requested that the court to allow revised tariff increases of between 16.6 and 16.72 per cent in 2020/21 and 2021/22. The application has been made on an urgent basis, and a decision could be handed down as soon as early in February 2020.

The difference between municipal and national financial years means that in 2020/21, bulk tariff increases for municipalities will be slightly lower than the figures cited above for increases applicable in the national financial year. NERSA has not yet published guidance on the exact tariffs for the 2020/21 municipal financial year. National Treasury's advice to municipalities is to prepare scenarios for electricity bulk price increases in 2020/21 of between about 7 per cent and 15 per cent (to account for the difference in financial years and the potential outcomes of the court case).

Municipalities should also note that if a court decision is made in February 2020 to allow a higher bulk electricity tariff increase, the decision is likely to be too late for National Treasury to make any changes to the equitable share allocations which will be tabled in the Division of Revenue Bill on 19 February 2020.

4.4 Levying of surcharges

Municipal Surcharges are regulated through the Municipal Fiscal Powers and Functions Act (MFPFA) and Local Government Municipal Systems Act (MSA). Section 8 of the MFPFA gives power to the Minister of Finance to prescribe compulsory national norms and standards for imposing "municipal surcharges". Municipal surcharges are defined as: "a charge in excess of the municipal base tariff that a municipality may impose on fees for a municipal service provided by or on behalf of a municipality, in terms of section 229(1)(a) of the Constitution;".

Section 75A of MSA empowers municipalities to "levy and recover fees, charges or tariffs in respect of any function or service of the municipality". Municipalities must also adopt and implement a tariff policy on the levying of fees for municipal services in terms of section 74 of the Systems Act. The tariff policy should then guide the exercise of power given under section 75A. In section 74(2)(f) the Act provides that the tariff policy must reflect at least the following principles:

"provision may be made in appropriate circumstances for a surcharge on the tariff for a service;".

Furthermore, Section 9 of the MFPFA requires a municipality to comply with processes in section 75A (2), (3) and (4) of the Systems Act in levying a surcharge.

In terms of the process, the Minister of Finance determines the norms and standards that municipalities must comply with in the exercise of their powers in terms of section 75A of the Systems Act. Approval for surcharges is done by the municipality in terms of section 75A of the Systems Act but subject to the norms and standards prescribed by the Minister of Finance in terms of the MFPFA.

The Minister of Finance has not yet prescribed the norms and standards (the power to prescribe is discretionary). The absence of norms and standards does not prevent municipalities from including surcharges in their tariffs as the power to impose a surcharge is given in the Municipal Systems Act. However, if a municipality decide to levy a surcharge, an approval is done by the municipal council in terms of section 75A of the Municipal Systems Act which gives power to municipalities to levy and recover fees, charges or tariffs in respect of any function or service of the municipality.

A surcharge is normally treated as part of the tariff. When a municipality determines a base tariff, it can include a surcharge (added as a separate variable). The municipal base tariff and a surcharge (if applicable) collectively becomes the tariff for a municipal service (such as electricity). The collective tariff must be approved by the municipal council and published for public comments in terms of section 75A of the Municipal Systems Act (MSA). It must also be subjected to the prescribed budget processes in terms of the MFMA.

In the case of electricity, NERSA only approves the base tariff. However, the final tariff that is published for public comments in terms of MSA and MFMA should include the surcharge if the municipality opted to levy it and is approved by the municipal council.

5. Funding choices and Budgeting issues

The Circular clearly outlines that, as a result of the economic landscape and weak tariff setting, municipalities are under pressure to generate revenue. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2020/21 MTREF budgets:

- improving the effectiveness of revenue management processes and procedures;
- paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as per the Cost Containment Regulations that was issued on 07 June 2019;
- ensuring value for money through the procurement process;
- the affordability of providing free basic services to all households; and
- curbing consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings promulgated on 30 May 2014.

5.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 30 June 2021 is still in operation, therefore municipalities need to budget for their employee related costs in line with the multi-year wage agreement, and also ensure the agreement is correctly implemented and applied as per clauses of the agreement.

5.2 Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. Any overpayment to councillors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of section 167 of the MFMA and must be recovered from the councillor(s) concerned.

5.3 Budgeting for water under inventory

GRAP 12, paragraph .07 defines inventory as follows:

"Inventories are assets:
(a) in the form of materials or supplies to be consumed in the production process,
(b) in the form of materials or supplies to be consumed or distributed in the rendering of services,
(c) held for sale or distribution in the ordinary course of operations, or
(d) in the process of production for sale or distribution."

In terms of this definition water should be treated as inventory and should be budgeted and accounted for accordingly. Annexure B to MFMA Circular No. 70 (Municipal Budget Circular for the 2014/15 MTREF) included guidance on the treatment of non-revenue water and electricity. To date the National Treasury has allowed municipalities to either budget for bulk purchasing of water as a direct expense in the Statement of Financial Performance as an interim measure or to account for water under inventory.

Municipalities were cautioned in MFMA Circular No. 93 for the 2019/20 MTREF that the A1 Schedule for the 2020/21 MTREF will be amended in line with the prescripts of GRAP 12. The draft amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12 is attached to the budget circular as **Annexure B**. The amendments are circulated for comments and will be implemented with effect from the 2021/22 MTREF.

In terms of the *m*SCOA definition ***"Inventory consumed water"*** water stock should be treated as follows:

Water stock must be accounted for as inventory. This will include water purchased and not yet sold at reporting date insofar as it is stored (controlled) in reservoirs and pipes at year end. Water stock also includes any water purification costs incurred for non-purchased water. Pre-purified, non-purchased water should not be capitalised as part of inventory. The cost of water purchased and not yet sold at reporting comprises the purchase price, import duties, and other taxes (other than those subsequently recoverable by the municipalities from the taxing

authorities, such as VAT) and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Importantly, trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

Substantial changes to the A1 schedule were required to accommodate this approach to account for water under inventory.

5.4 Budgeting for debt impairment in *m*SCOA

Municipalities are incorrectly using the line item for bad debts written-off under the Item Expenditure segment when budgeting for debt impairment. It should be highlighted that bad debts written-off is not the same as debt impairment. Debt impairment is the provision that the municipality makes for non-payment while bad debt written-off is the irrecoverable debts written off during the financial year as approved by Council per type of service. Therefore, municipalities are advised to use impairment loss under the Item Gains and Losses segment for debt impairment. This provides a breakdown for the different categories that can be impaired, for example, trade and other receivables from exchange transactions: water.

6. Conditional Grant Transfers to Municipalities

6.1 Non-compliance of in year monitoring

In terms of Section 74(1) of the Municipal Finance Management Act, 2003 (Act No. 56. of 2003) (MFMA), municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. Furthermore, section 12(2) of the Division of Revenue Act, 2019 (Act No. 16 of 2019) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

There are municipalities that have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding away from municipalities that are non-compliant. Municipalities are encouraged to comply with the reporting requirements in order to avoid withholding or stopping of an allocation. Reporting for conditional grants will also be extended in future to include the information from National Transferring Officers in the *m*SCOA format.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realizing full value for money against the substantial investments it makes through grants. While financial reporting has become a routine matter on reporting, output/outcome based reporting has become important and it requires attention by all stakeholders. Workshops must be initiated across all government institutions to ensure value for money on conditional grants.

6.2 Stopping and reallocation in terms of the Division of Revenue Act

National Treasury as part of its in-year monitoring on conditional grants has through the Minister of Finance approved requests from the transferring officers to publish a gazette on stopping and reallocations between grants early in the beginning of the year, 2019/20. The gazette addresses shifting of allocations from underperforming local municipalities to their respective district municipalities, correction of errors against allocations made during the main budget and the conversion of allocations between schedules.

Integrated National Electrification Programme

The Department of Energy (DoE) is stopping and re-allocating funds from the Masilonyana Local Municipality (LM) to Lejweleputswa District Municipality (DM) under the Integrated National Electrification Programme (INEP 5B). The Masilonyana LM and the Lejweleputswa DM have entered into a Memorandum of Understanding wherein it was agreed that the district municipality will implement the electrification project on behalf of the local municipality with the assistance of the Municipal Infrastructure Support Agent (MISA) to verify the work done.

Conversion of allocations

According to Section 21(2)(a) of the 2019 DoRA, National Treasury may, after consultation with the relevant transferring officer, receiving officer and provincial treasury, convert any portion of an allocation listed in Part B of Schedule 5 to one listed in Part B of Schedule 6 if it is satisfied that the conversion shall prevent under-expenditure or improve the level of service delivery in respect of the allocation in question or convert any portion of an allocation listed in Part B of Schedule 6 to one listed in Part B of Schedule 5.

Neighbourhood Development Partnership Grant

The Neighbourhood Development Partnership Programme within the National Treasury is converting funds under the Neighbourhood Development Partnership Grant (NDPG) due to anticipated underspending. The 2019/20 NDPG 5B allocations for West Rand DM and Emfuleni LM will be converted from Part B of Schedule 5 to Part B of Schedule 6.

The Municipal Emergency Housing Grant

An amount of R149.1 million is allocated to Eastern Cape and KwaZulu-Natal municipalities after the Department of Human Settlements (DHS) declared a disaster in municipalities in these provinces. The allocation is done through the Municipal Emergency Housing Grant (MEHG) for the emergency relief to fund the temporary shelters following various disaster incidents namely fire and severe rain that caused damages and affected home owners. Funding for the MEHG remains unallocated in the Division of Revenue Act it only gets allocated upon disaster declaration.

Correction of errors in the Division of Revenue Act

According to Section 16(2) of the 2019 DoRA, for purposes of correcting an error or omission in an allocation or framework published, the National Treasury must on its initiative and after consultation with the relevant transferring officer by notice in the Gazette amend the affected allocation or framework.

The Magareng, Emthanjeni and Prince Albert local municipalities in the Northern Cape and Western Cape province respectively had their 2019/20 MIG erroneously allocated in the Section 16 gazette. The MIG allocation for the Prince Albert LM did not take into account the final sport allocation of R3.6 million which was allocated to the Magareng (R2 million) and the Emthanjeni (R1.6 million) local municipalities.

6.3 Invoice Verification against conditional grant expenditure/ Cost reimbursement

National Treasury has over the past two years introduced a system of monitoring all invoices that are paid by municipalities against the transferred conditional grants. The process involves a team of various stakeholders to be periodically placed in municipalities and facilitate verification on all issued invoices to check whether the work done is compliant to the conditional grant framework. This initiative was necessitated by the extent of unauthorized,

irregular and unrecognized expenditure that was being recorded by municipalities through the Auditor General's report. This process will also reduce and ultimately seek to eliminate the extent of misuse of conditional grant allocations.

A selected number of municipalities are earmarked on an annual basis to be supported through this process and transfers are only made to these municipalities once the team is satisfied after verification of the invoices has taken place. These processes assist against the transfer of funds for projects that are not ready for implementation, but at the same time recognizes municipalities that are spending well and incentivizes them for the good work.

Furthermore, in instances where a local municipality is unable to deliver the current year's projects, this process allows for the funds be rechanneled through their district municipalities as part of the District Development Model launched in November 2019. The District Development Model allows for government to allocate funding to the district for implementation on behalf of the local municipality until such time that capacity is built within the local municipality to implement projects on their own.

A process map for invoice verification/or cost reimbursement is attached as **Annexure C**.

7. Preparation of Municipal Budgets for 2020/21 MTREF

7.1 Schedule A1 version to be used for the 2020/21 MTREF

National Treasury has released Version 6.4 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.4 of the *m*SCOA classification framework and must be used when compiling the 2020/21 MTREF budget. Refer to Annexure B for the changes to this version of the Schedule A1.

ALL municipalities **MUST** prepare their 2020/21 MTREF tabled and adopted budgets using the A1 schedule version 6.4.

It is imperative that all municipalities prepare their 2020/21 MTREF budgets **in their financial systems and that the Schedule A1 be produced directly from their financial system**. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2020/21 MTREF budget must be done manually which has been found to create alignment problems.

Municipalities **must** start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and **must** ensure that they produce their Schedule A1 directly out of the budget module.

Ultimately the aim is to get to a point where all municipalities budget and transact directly in and report from their core financial system. This will result in one version of the '**truth'** where the financial performance reported to Council will not differ from the financial performance information submitted to and published by National and provincial treasuries. This will also reduce the reliance on consultants and system vendors to prepare municipal reports.

The National Treasury has indicated in MFMA Circular No. 93 that in future all A1 Schedules must be submitted in PDF format only. Some vendors have expressed concerns regarding the layout of some of the worksheets and the presentation thereof in PDF. Given the fact that the *m*SCOA classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and to promote the *m*SCOA approach for additional data needed and prescribed in the MBRR from sub-systems, the National Treasury will only accept a prescribed data string containing the supporting data, populated and

uploaded by each municipality (refer to the attachment to this MFMA Budget Circular No 98 on the website for the layout of the data string) from the **2020/21 MTREF**. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

The National Treasury will no longer gather supporting data from the MBRR A1 Schedules, but will expect each municipality to submit the prescribed supporting data strings containing the required data using the LG Upload Portal.

The detail of supporting data strings is available as attachments to this circular.

Version 6.4 of Schedule A1 is available on the following link and is accompanied a comparison between mSCOA vs 6.3 and vs 6.4, highlighting changes made.

http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:
http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx

7.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Mandla Gilimani	012-315 5553 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng Johannesburg & Tshwane	Kgomotso Baloyi Kevin Bell Willem Voigt	012-315 5866 012-315 5725 012-315 5830	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za WillemCordes.Voigt@treasury.gov.za
KwaZulu-Natal eThekwini	Kgomotso Baloyi Johan Botha Una Rautenbach Abigail Maila	012-315 5866 012-315 5171 012-315 5700	Kgomotso.Baloyi@treasury.gov.za Johan.Botha@treasury.gov.za Una.Rautenbach@treasury.gov.za Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	WillemCordes.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani Musa Mnguni	012-315 5807 012 315 5072	Mandla.Gilimani@treasury.gov.za Musa Mnguni@treasury.gov.za
Northern Cape	Mandla Gilimani Phumelele Gulukunqu	012-315 5807 012 315 5539	Mandla.Gilimani@treasury.gov.za Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Cape Town George	Kgomotso Baloyi Willem Voigt & Mandla Gilimani	012-315 5866 012-315 5830 012-315 5807	Kgomotso.Baloyi@treasury.gov.za WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National and provincial treasuries, will undertake a completeness check on the data string submissions and will analyse the supporting data strings. Where municipalities have not provided complete supporting information, the municipality will be informed and will be required to make the necessary corrections and resubmit the data strings.

7.3 Verification process and period of 2020/21 MTREF budgets

As the *m*SCOA reporting requirements state that a budget must be locked into the financial system by latest 30 June before the start of the new municipal financial year, in the previous timeframes provided, there was no opportunity to evaluate the adopted budget to be funded and complete BEFORE the start of the municipal financial year. The traditional verification period from July to September can no longer be applied as the municipalities are already transacting against the adopted and locked budget. Amending an unfunded and incomplete budget in an adjusted budget is also not the solution as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes.

The verification period of all municipal budget will therefore be brought forward to the period 31 May to 30 June. In this one-month period, the National and provincial treasuries will be required to evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the Municipal Budget and Reporting Regulations.

The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to go back to the municipal Council and table a complete budget document aligned to the requirements of the Municipal Budget and Reporting Regulations and the Municipal Standard Chart of Accounts Regulations. In addition, where municipalities have adopted an unfunded budget, they will be required to correct the budget to ensure they adopt and implement a funded budget***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D schedule.

Annually during the budget verification process, it is noted that municipalities have challenges to align the audited years, which results in amendments to the Schedule A. Municipalities

must ensure that the audited figures and adjusted budget figures captured on the Schedule A aligns to the annual financial statements and Schedule B respectively.

8. Budget process and submissions for the 2020/21 MTREF

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2020**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Wednesday, 01 April 2020**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the Municipal Budget and Reporting Regulations, requires that the approved annual budget must be submitted to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on **29 May 2020**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Friday, 12 June 2020**.

Municipalities are no longer expected to submit hard copies of budget related documents to National Treasury from the 2020/21 MTREF.

8.2 Expected submissions for 2020/21 MTREF

- The budget documentation as set out in the Municipal Budget and Reporting Regulations (MBRR). The budget document must include the main Tables (A1 - A10) and the supporting tables in the A1 schedule must be submitted in the prescribed *m*SCOA data string in the format indicated in an attachment as part of this circular.
- the draft and final service delivery and budget implementation plan in electronic PDF format;
- the draft and final integrated development plan;
- the council resolution for the tabled and adopted budgets;
- signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations for the tabled and adopted budgets;
- schedules D specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/.

Please note that the LG Upload Portal does not have the same size restrictions previously encountered but requires all documents to:

1. be in PDF format only; and
2. each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified and uploaded separately.

Any problems experienced in this regard can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

In addition to the above-mentioned budget documentation, metropolitan municipalities must submit the draft Built Environment Performance Plan (BEPP) tabled in council by 31 March 2020 to Yasmin.coovadia@treasury.gov.za. If the BEPP documents are too large to be sent via email (exceeds 4MB) please submit to yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hard copies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd floor 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001. (Yasmin to confirm if she still needs hard copies.)

8.3 Retirement of the Budget reform returns (Appendix B)

Municipalities must conclude all reporting for 2018/19 up to restated audit outcomes on the Appendix B (old electronic returns) to lgdatabase@treasury.gov.za before we can retire the returns.

Ensure that each municipality also submit the pre-audit and audited data strings in the *m*SCOA classification framework as data strings and that the figures are aligned to the Appendix B returns. Pre-audit and audited outcomes will only be submitted in the *m*SCOA data strings prescribed from 2019/20 onwards.

8.4 Publications from the *m*SCOA classification framework

The 2019 MTREF and the preliminary Quarter 1 Section 71 results for the 2019/20 financial year that has recently been published, have exposed that the credibility of the *m*SCOA data strings is a concern. At the core of the problem is:

- The incorrect use of the *m*SCOA and municipal accounting practices by municipalities;
- A large number of municipalities are not budgeting, transacting and reporting directly in/from their core financial systems. Instead they prepare their budgets and reports on excel spreadsheet and then import the excel spreadsheets into the system. Often this manipulation of data leads to unauthorised, irregular, fruitful and wasteful (UIFW) expenditure and fraud and corruption as the controls that are built into the core financial systems are not triggered and transactions are processed that should not be processed; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof.

The data strings are also verified against the Council adopted budget (A1 Schedule), adjustments budget (B Schedule) and monthly performance against the budget (C Schedule) to ensure that these figures reconcile.

Quality improving focus areas for the 2020/21 MTREF:

- Pay specific attention to the funding of the capital budget and expenditure. The total capital expenditure must balance with the total funding used. Currently the expenditure is much higher than the funding reported.
- Opening balances, especially for capital projects, will always be DEFAULT projects as it will remain a system activity governed by council decision. In the current publications, capital expenditure is highly overstated due to incorrect use of opening balances for capital projects and presents a very inflated view of the actual capital expenditure.
- The cash flow data supplied by municipalities is not credible. This is partly due to the different ways in which the vendors treat actual cash collected but also is a result of the National Treasury not giving clear guidance on the procedures and processes to follow to get credible cash flow figures. In this budget circular signals have been given as to the treatments the National Treasury wants all municipalities to follow to get credible figures from the *m*SCOA data stings. The National Treasury will implement these guidelines in March 2020 in time for the receipt of the 2020/21 MTREF budget data strings. It will affect the third and fourth quarter Section 71 publications of 2019/20 as well.
- It is imperative that vendors assist municipalities to populate SA30 / SC30 when submitting cash flow figures. The detail that is required to ring fence functions and to determine actual cash collections are in the mentioned MBRR supporting worksheets and not in A7 / C7 which is a summarised version. When transferring payments made from sub-system to the general ledger, please ensure that these transfers are done using the prescribed 6 segments at the detailed level prescribed in SA30 / SC30.
- Municipalities are not using the FUND, REGION and COSTING segment correctly. In many instances these segments are simply defaulted and hence the true power of the *m*SCOA classification framework cannot be demonstrated.
- The National Treasury is currently developing Municipal Money Phase II. The first step is to interactively show all capital projects municipalities have budgeted for and are reporting on monthly to all citizens. It has become apparent that many municipalities are not using the correct GPS coordinates when reporting on the capital projects. Many are simply using the GPS coordinates of the municipal building or using 0 coordinates. Special attention must be given to the correct location and the proper description of projects as citizens will now be able to drill down and follow what is happening in their own wards.

8.5 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

Link to all previous circulars

K:\CD - LGBA\Municipalities\20. Budget Regulations\04. Budget Circulars\2020 MTREF

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
06 December 2019

Annexure A – Cash Flow Reconciliation

The following movement accounts should only be used for cash inflow and outflow transactions:

Item Assets:

- *Collections:* Collections received pertaining to a respective account (example is collection on receivables from non-exchange (property rates) and non-exchange (service charges electricity) transactions.
- *Acquisitions:* Purchases of assets and other expenditure.
- *Disposal:* Sale of non-current assets (example land).
- *Earned:* Interest earned on a bank account.

Item Liabilities:

- *Receipts:* Current year receipts on transfer and subsidies.
- *Advances:* Advances taken for the year, example for borrowing.
- *Repayments:* Repayments for the year, example for borrowing.
- *Payments:* Payments made; example defined benefits.
- *Withdrawals:* Payments made, examples are for bulk purchases for electricity and bulk purchases water.

Funding segment

Most municipalities are transacting incorrectly on the funding segment and accordingly overstate the cash balances available per function (example energy sources (electricity), water management (water treatment) etc. for the payment of services.
The "Funding" segment in the financial system identifies the various sources of funding available to municipalities for financing expenditure relating to the operation of the municipality for both capital and operational expenditure.

The intent with the Funding segment is to assist municipalities in the management of available funds to use in running the municipality (working capital), capital expanding, maintenance programmes and operational projects intended for the benefit of the community. **The underlying principle in recording of transactions in this segment is therefore cash based or funds available to utilise.**

The key question in finding the appropriate classification code for this segment is: "against which source of funding is the payment allocated and against which source is revenue received?"

The primary sources of funding for a municipality are property rates, service charges, equitable share and own revenue. Further to these sources of revenue a municipality also spend funds transferred from other sectors within government, namely transfers and subsidies such as appropriated by national and provincial government in terms of the Division of Revenue Act (DORA). A further source of funds available for utilisation is "cash backed reserves" as directed by the municipality's financial policy on the utilisation of the reserves.

The projects as defined within the Project segment together with the "funding" and "Item" segments provide information on how funds have been spent and on what. The Funding segment's structure distinguishes between "Operational, Capital and Non-Funding Transactions".

Operational: Operational revenue provides for funds from all other sources of income such as taxes, service charges, commercial services, transfer and subsidies, etc.

Capital: Funds to finance capital projects.
Non-funding Transactions: This is items that does not relate to a cash transaction.
Examples of non-funding transactions are:

- Billing for services on consumer accounts issued;
- Recording of invoices;
- Depreciation; and
- Debt provision.

Example 1: A municipality has issued a consumer account (billing) to a client for electricity consumption amounting to R100 in Ward X.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Monthly Billing	Revenue: Exchange Revenue: Service Charges: Electricity: Electricity Sales :Domestic Low: Conventional
Funding	Non funding transaction	Non funding transaction
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The monthly billing of a consumer does not relate to any cash inflow, the funding segment therefore a non-funding transaction.

Example 2: The client pays the municipality R100 on the consumer account received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Function: Energy Sources: Non-core Function: Electricity	Function: Energy Sources: Non-core Function: Electricity
Item	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description): Deposits	Assets: Current Assets: Trade and other Receivables from Exchange Transactions: Trading Service and Customer Service Debtors: Electricity: Collections
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Ward X	Ward X
Costing	Default	Default
Amount	100	100

The payment received will be recorded as a cash inflow against revenue service charges electricity for the function electricity. The electricity function will now have R100 funding (cash inflow) available for the payment of expenditure.

Example 3: The municipality receives an invoice from Eskom for the usage of electricity amounting to R50.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Municipal Running Cost	Municipal Running Cost
Function	Electricity	Electricity
Item	Expenditure: Bulk Purchases: Electricity: ESKOM	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Deposits
Funding	Non funding transaction	Non funding transaction
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The recording of an invoice in the financial system does not relate to any cash outflow, no payment has been made, the funding segment therefore is a non-funding transaction.

Example 4: The municipality pay Eskom R50 on the invoice received.

The transaction will be recorded as follows:

Segment	Dt	Cr
Project	Default	Default
Function	Electricity	Electricity
Item	Liabilities: Current Liabilities: Trade and Other Payable Exchange Transactions: Electricity Bulk Purchase: Withdrawals	Assets: Current Assets: Cash and Cash Equivalents: Cash at Bank: Bank Account: Specify (replace with account description):Withdrawals
Funding	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity	Fund: Operational: Revenue: General Revenue: Service Charges: Electricity
Region	Mun	Mun
Costing	Default	Default
Amount	R50	R50

The payment made will be recorded as a cash outflow against revenue service charges electricity for the function electricity. The electricity function will now have a balance of R50 cash available (funding) which is the difference between the cash received of R100 from a consumer on electricity consumption (example 2) and the payment of R50 to Eskom for the usage of electricity (example 4).

The electricity function will have a net balance of R50 positive cash (funding) which reconcile to the net cash in the bank account of R50.

Annexure B – Amendments to the A1 Schedule to cater for water under inventory in line with GRAP 12

Substantial changes to the A1 schedule were required to accommodate the approach to account for water under inventory. The draft adjustment to the A1 Schedule (Excel version) is attached to this published circular with amendments highlighted in light orange. The Excel document has been populated for one financial year to demonstrate the accounting treatment of the proposed changes. These changes are not for implementation during the 2020/21 MTREF but are included in the circular for comments prior to final implementation during the 2021/22 MTREF. The main changes were to Table SA3 that required further changes to some other worksheets as indicated below.

Table SA3

Changes to this table included the addition of water and other inventory items to enable municipalities to fully budget for the acquisition, issuing, adjustment, write-off, transfer and sale of all inventories. This will provide a detail reconciliation for the disclosure of inventory on the Statement of Financial Position (Table A6). This section has been aligned to the mSCOA chart - Item Assets – Inventory and, as it relates to water inventory, also to the IWA Modified Water Balance utilised by the DWS. The layout of the section includes the following inventory items:

- Water (separate item)
- Agricultural, Consumables, Finished Goods, Materials and Supplies (consolidated into one item)
- Work-in-progress (separate item)
- Housing Stock (separate item)
- Land (separate item)

It is important to note that, as a result of these changes, bulk purchasing of water will be processed as a cash transaction in the Statement of Financial Position – Acquisition of Inventory (Table A6). Acquisitions of water stock should include the following:

- Bulk purchases - Supply from bulk or other water service providers recognised by the amount paid.
- Water purified - Potable supply from Water Treatment Works. Value is to be determined by calculating primary and secondary cost components.
- Natural sources - Supply from boreholes, springs, fountain if not supplied through the water treatment plant. Value is to be determined by calculating primary and secondary cost components.

Currently the Statement of Financial Performance (Table A4) reflected the bulk purchasing of water as a cash expense. In terms of the change to treating water as inventory the cost of sales (water inventory consumed) is disclosed as a separate non-cash expense included under “Other materials & inventory consumed” on Table A4.

The cost of water losses and any write-down of inventory are expensed as a non-cash entry under “Expenditure by type Losses” on Table A4. When there is clear evidence of an increase in net realisable value of inventory adjustments are accounted for as a non-cash entry under “Revenue by source Gains” on Table A4.

Water Inventory consumed (cost of sales) included under “Other materials & Inventory Consumed” on Table A4 should include the following:

Billed Authorised Consumption

Billed Metered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Billed Unmetered Consumption

- Free Basic Water
- Subsidised Water
- Revenue Water

Un-Billed Authorised Consumption

- Unbilled Metered Consumption
- Unbilled Unmetered Consumption

The above-mentioned amendments to Table SA3 also necessitated adjustments to the following other tables as indicated below:

Table SA1

In order to adequately account for inventory, including water inventory, the following detail calculations were added on Table SA1:

Addition of Other materials & Inventory Consumed

- Inventory Consumed - Water
- Inventory Consumed - Other material
- Other materials

Total Other Material & Inventory Consumed

Bulk purchases: Electricity & Waste Water (previously Electricity & Water - now water changed to “Waste Water)

The change of terminology

- Electricity Bulk Purchases (no change)
- Waste Water Bulk Purchases (previously Water Bulk Purchases now water changed to “Waste Water”)

Table A4

The change of terminology:

- Bulk purchases now ***“Bulk purchases: Electricity & Waste Water”***
- Gains on disposal of PPE now ***“Gains”***
- Loss on disposal of PPE now ***“Losses”***
- Other Material changed to ***“Other materials & inventory consumed”***

Table SA 30

The changes of terminology to cash payments by type:

- Bulk purchases - Electricity now changed to ***“Bulk purchases - Electricity & Waste Water”***
- Bulk purchases - Water & Sewer" now changes to ***“Acquisition Inventory - Water & other inventory”***

Annexure C – Process map for invoice verification/cost reimbursement

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 1: Municipality receives invoices from the contractors and consultants	Municipality	Technical Director and PMU Manager
Step 2: Check completeness and all documents included and update the verification list/implementation plan	Municipality	PMU Manager
Step 3: Invoices and verification list submitted to Province (PT, Transport, CoGTA province, DWS, Energy, human settlement and MISA)	Municipality	Technical Director
Step 4: Province coordinates the site verification meeting/s with all stakeholders (Prov CoGTA and Treasury, MISA and municipality	Province	Provincial selected lead official
Step 5: Municipality arranges with consultants and contractors to be on site and prepares the necessary progress report	Municipality	Technical Director and PMU
Steps 6: Site meeting/s held	(Prov CoGTA/Treasury, MISA and municipality	Verification Team
Step 7: Transferring National Officer/MISA prepares the verification report and shares with all the verification team members. It recommends the amount to be released to municipality or recommends a refer back	Transferring National Officer/MISA	Transferring National Officer/MISA
Step 8: Verification team (coordinated by Province) to consider the recommendations by Transferring National Officer/MISA and submit recommendations to NT/Sector department	Province	Transferring National Officer/MISA with Provincial Treasury

ACTIVITY	INSTITUTION	INDIVIDUAL
Step 9: Transferring National Office reviews all documentation submitted and: (i) either refer back to Province for corrections; or (ii) submits report to NT	Transferring National Officer	Director: Grant Administration in national department
Step 10: NT evaluates and provides go ahead to Transferring National Officer and confirms amount for the transfer	National Treasury	Municipal Grant Monitoring and Analysis (MGMA) Unit within NT
Step 11: Transferring National Officer prepares sundry payment advise for Finance and confirm the date with NT	Transferring National Officer	Transferring National Officer
Step 12: Finance confirms transfer details with National Treasury (date amount) and loads transfer NT loads transfers on Safety Web	Finance	Finance Grant Administration Unit with NT
Step 13: Transferring National Officer confirms transfer with receiving officer	Finance	FINANCE
Step 14: Municipality effects the payments to contractors and submit Proof of Payment (POP)'s Transferring National Officer	Municipality	Technical Director / CFO
Step 15: Next transfer of funds may be effected once the previous POP has been verified	National Treasury and Transferring National Officer	National Treasury and Transferring National Officer

NATIONAL TREASURY

MFMA Circular No. 99

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2020/21 MTREF

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Introduction

This budget circular is a follow-up to MFMA Circular No. 98 that was issued on 06 December 2019. It aims to provide further guidance to municipalities with the preparation of their 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) budgets and should be read together with the budget circulars that have been issued previously.

The grant allocations as per the 2020 Budget Review and the 2020 Division of Revenue Bill are also key focus areas in this circular.

1. The South African economy and inflation targets

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

It is projected that revenue to be collected for the 2020/21 financial year will amount to R1.5 trillion which equates to 29.2 per cent of the Gross Domestic Product (GDP), whereas expenditure is projected to be at R1.95 trillion which is equivalent to 36 per cent of GDP. This means that there is a consolidated budget deficit of R370.5 billion or 6.8 per cent of GDP in 2020/21. The gross national debts by the end of 2020/21 is projected to be R3.56 trillion which is 65.6 per cent of GDP.

It is evident that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner. Municipalities therefore need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudency.

The declining economic growth which might be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue. Municipalities are therefore advised to follow a conservative approach when projecting their revenue and to eliminate any waste and unnecessary expenditure. Importantly, municipalities should ensure that they adopt realistic and funded 2020/21 MTREF budgets, collect the debts owed to them and pay their creditors within 30 days of receipt of invoice.

The following macro-economic forecasts must be considered when preparing the 2020/21 MTREF municipal budgets.

Table 1 Macroeconomic performance and projections

	2019	2020	2021	2022
Percentage change	**Estimate**		**Forecast**	
Real GDP growth	**0.3**	**0.9**	**1.3**	**1.6**
CPI inflation	4.1	4.5	4.6	4.6

Source: 2020 Budget Review.
Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2020/21 municipal budget process

After budgeting for debt-service costs, the contingency reserve and provisional allocations, 48.2 per cent of the nationally raised funds are allocated to national government, 43 per cent to provinces and 8.8 per cent to local government. This is a reduction from the 9.1 per cent allocated to local government when compared to the 2019/20 financial year.

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. On aggregate; the local government sphere raises about 70 per cent of its own revenue. However, municipalities should make every effort to improve the collection rates through improved billing and collection practices. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services.

Spending outcomes for 2018/19 varied across the 257 municipalities. Many municipalities adopted unrealistic spending plans. As a result, 211 municipalities underspent their operating budgets and 214 municipalities underspent their capital budgets. This was a slight improvement from the previous year.

Of the R33.6 billion in conditional grants transferred to municipalities in 2018/19, R27.2 billion (80.1 per cent) was spent, compared to 93 per cent spent in 2017/18. This decline was partly due to underspending on drought relief funds allocated in the middle of the financial year.

2.1 Local government grants and municipal revenue strength

The conditional grants to municipalities have been reduced and most conditional grants have been reduced as part of efforts to limit growth in government expenditure and ensure that public debt is sustainable. To manage the effect on services, these reductions take into account:

- Past spending and performance;
- Whether the conditional grant funds salaries, and other related costs; and
- Whether there has been significant real growth in allocations in recent years.

Where possible, the National Treasury has reduced transfers that are more likely to go unspent or to be spent less effectively. Accordingly, grants that have persistently underperformed have been reduced by larger amounts. The largest proportional reduction to local government grants in 2020/21 has been made in respect of the public transport network grant, because only six of the 13 cities receiving the grant have successfully launched public transport systems. The three cities that have shown the least progress, namely Buffalo City, Msunduzi and Mbombela have been suspended from the grant and will not receive allocations in the 2020 MTEF period.

Legislation governing local planning and budgeting emphasises community participation in decision-making. The partnership between municipalities and communities relies on households and businesses recognising the value of, and paying for, municipal services. While government subsidises municipal services for low-income households, these services are only sustainable if people who can afford them and use larger quantities thereof pay their bills. Therefore, the sustainability of municipalities depends on how they collect and spend their own revenues.

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx

2.1. Changes to local government allocations

2.1.1. Unconditional grants

Over the next three years, above-inflation growth in allocations to the local government equitable share continues, while growth in conditional grants is slower as a result of the reductions announced in the 2020 Budget. The local government Equitable Share continues to receive above inflation increases because it allows municipalities to offer free basic services to indigent residents who cannot afford to pay for services. The total direct allocations to local government grow at an annual average rate of 6.6 per cent over the MTEF period.

2.1.2. Conditional grants

The 2020 Division of Revenue Bill has technical adjustments which were effected through the shifting of funds between different municipal allocations. However, it should be noted that the technical adjustments do not change the total amount allocated to local government. These changes to the grants include the shifting of:

- R400 million in 2020/21 from the municipal infrastructure grant, the water services infrastructure grants and the urban settlements development grant to the indirect regional bulk infrastructure grant to assist in funding the rehabilitation of wastewater treatment infrastructure in the Vaal River System;
- R160 million from the direct *neighbourhood development partnership grant* to the indirect component of the grant over the MTEF period;
- R3 billion that had been indicatively allocated to the new *informal settlement upgrading partnership grant* in 2020/21. This amount is shifted back to the *urban settlements development grant* following the decision to extend the informal settlements window within this grant for another year; and
- R166 million over the 2020 MTEF period from the *municipal infrastructure grant* to the *integrated urban development grant* for the entry of one additional municipality into the grant.

In addition to funds shifted from other local government grants, R250 million has been added to the indirect *regional bulk infrastructure grant* in 2020/21 to assist with addressing pollution in the Vaal River System. These funds were reprioritised from allocations in other spheres of government.

2.2 Response to the Finance and Fiscal Commission (FFC)'s recommendations

The Finance and Fiscal Commission Act, 1997 (Act No. No 99) requires that the FFC tables their recommendations on financial and fiscal matters at least 10 months before the start of each financial year. The FFC tabled its *Submission for the Division of Revenue 2020/21* to Parliament in May 2019. This year's theme is "reprioritising local government finances". The 2020/21 recommendations cover the following areas: local government financing framework, municipal government capacity building, local government sustainability, infrastructure management and efficiency, investment and developmental challenges in the local government sector.

2.2.1 Supplementary revenue sources for local government

The FFC recommended that the Minister of Finance should take steps (including piloting) to add supplementary revenue sources to the list of allowable taxes for different types of municipalities in a differentiated manner. National government supports this recommendation that additional revenue sources to municipalities should be fully explored. In response, various reforms have been prioritised to supplement the revenue sources of municipalities.

These include: amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 12 of 2007) to ensure development charges are uniformly regulated and updating the municipal borrowing policy framework to clarify the funding instruments that municipalities are allowed to use to leverage their borrowing including clarifying the role of development finance institutions in this regard.

The Municipal Fiscal Powers and Functions Act already allows municipalities to apply to the Minister of Finance to levy additional taxes such as the tourism levies and fire levies recommended by the FFC. This Act also allows the Minister of Finance to introduce new municipal taxes on his own initiative. Applications from municipalities to implement new revenue sources provide a good mechanism for piloting new revenue sources like these as it ensures that the pilot municipalities are ready and willing to implement the new taxes. To be considered by the Minister of Finance, an application to introduce additional taxes must include the following:

- What the revenue from the proposed new municipal tax will be used for;
- Its compliance with section 229(2)(a) of the Constitution, which requires that municipal taxes do not prejudice national economic policy;
- The tax base, the desired tax rate, people liable for the tax and tax relief measures;
- The tax collecting authority; and
- Particulars of any consultations conducted, including consultations with a provincial government and organised local government and other municipalities where applicable, and the outcomes of these consultations.

2.2.2 Local government infrastructure management and efficiency

Government continues to provide responses to the FFC's recommendations on an annual basis. These annual recommendations by the FFC are required in terms of section 9 of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997). The FFC recommended that the Ministers of Cooperative Governance and Traditional Affairs (CoGTA) and Finance should jointly strengthen the linkage between technical project planning processes and budgeting and foster smooth intergovernmental infrastructure coordination as part of the ongoing local government infrastructure grant reforms.

Government acknowledges the need to consolidate municipal infrastructure grants and to strengthen the linkages between the technical project planning process and the budgeting. The review of local government infrastructure grants has identified consolidation and rationalisation in the number of grants received by each municipality as a key area for reforming the grant system. As the various grants in the system serve different purposes, the consolidation and rationalisation process requires extensive consultation before grants can be merged. As a result, there is no definitive dates set on when the consolidation of grants will take place. However, government is committed to achieving the vision of a differentiated grant system.

2.3 Building capability for infrastructure delivery

The National Treasury continues to expand the tools available for provinces and municipalities to improve spending. Weaknesses in preparing and authorising projects and programmes are one of the main causes of poor performance on infrastructure transfers. The Infrastructure Delivery Management System (IDMS) has assisted provinces to build infrastructure units with qualified staff and institutionalise best practices. In the 2020/21 MTEF, cities will receive grant funding through the *integrated city development grant* to institutionalise an effective system for preparing programmes and projects. Metros will only be eligible for this funding if they:

- Have not had an adverse or disclaimed audit opinion in the last two financial years;

- Have formally adopted the Cities' Infrastructure Delivery and Management System (CIDMS) guidelines;
- Establish a programme and project approval committee to authorise work; and
- Commit to co-financing contributions and budget management arrangements.

National government provides a broad range of capacity-support grants and programmes for local government. These grants and programmes are under review and reforms to improve its effectiveness are likely to be implemented from 2021/22.

2.4 Development Charges reforms

National Treasury continues to explore how municipalities can use a broader package of infrastructure financing sources to meet their developmental mandate. One of these sources is development charges.

A development charge is a once-off charge imposed by a municipality on a land owner as a condition of approving a land development application that will substantially result in increased demand for municipal infrastructure services. These charges are imposed to cover the costs incurred by the municipality when installing new infrastructure or upgrading an existing infrastructure that is required to service the proposed development. It is based on the concept that urban growth and expanded land use creates the need for additional infrastructure services, therefore the developer should pay the incidence costs.

Municipalities have not fully used development charges due to uncertainty surrounding the regulatory frameworks. National Treasury is therefore amending the Municipal Fiscal Powers and Functions Act, 2007 (Act No. 97 of 1997) to incorporate the regulation of development charges. Cabinet has approved the publication of the draft Amendment Bill for public comment. The due date for submitting comments is 31 March 2020.

The draft Bill can be accessed on the National Treasury website at: http://www.treasury.gov.za/legislation/draft_bills/default.aspx.

3. Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application.

While the court case between NERSA and Eskom is still pending, municipalities should use the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23.

4. Budgeting issues

4.1 The wage bill

The 2020 Budget Review highlighted the proposed wage bill reduction for the public service. Similar to national and provincial government, municipalities must ensure that compensation demands are balanced with the broader needs of society. In this context, municipalities should start taking decisive action to address bloated organisational structures and above inflation wage increases.

Wage bill increases are crowding out spending on capital projects for future economic growth and impacts on service delivery.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving own revenue collection, working more efficiently and implementing cost containment measures.

4.2 Pension fund and SARS contributions

In terms of section 13A of the Pension Funds Act, 1956 (Act No. 24 of 1956), an employer must pay contributions it collected from employees' salaries to the relevant pension fund by the 7th day after the end of the month in respect of which the contributions were payable.

According to the latest annual report by the Pension Fund Adjudicator (PFA), it is especially concerned about non-payment of contributions in the municipal sector, thereby putting members' benefits at risk for extended periods of time. Over and above, there is interest on contributions that an employer is liable to pay if pension fund contributions are not paid over timeously. The Financial Services Laws General Amendment Act, 2013 (Act No. 45 of 2013) makes the employer's failure to pay contributions to a retirement fund a **criminal offence**. The amendment to this Act now provides for personal liability of persons who are entrusted with managing the overall financial affairs of the employer.

Section 65(2)(f) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) states that the accounting officer must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees, and their statutory commitments. Section 171(1) of the MFMA provides that the accounting officer commits financial misconduct if that accounting officer fails to comply with a duty imposed by a provision of the Act on the accounting officer of a municipality. In addition, section 173(1)(a)(i) of the MFMA than provides that an accounting officer is guilty an offence if that accounting officer deliberately or in a grossly negligent way amongst other, contravene or fails to comply with the provision of section 65(2)(f) of the MFMA. We will therefore be monitoring whether municipalities are addressing this failure by accounting officers consistent with the legal framework provided for in the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and take the necessary action where there is failure on the part of municipalities to address this matter.

4.3 Water

Access to clean and potable water is a mandatory imperative in terms of the country's Constitution, the National Water Act, 1998 (Act No. 36 of 1998) and priorities set by the government in the National Development Plan (NDP). Water is also recognised as a fundamental human right and there is no doubt about the important role that water plays in human existence, the environment, economic development and sustainability.

Municipalities should take strategic action to ensure effective water management and resilience to drought, including the security of water supply, environmental degradation, and pollution of resources to achieve economic growth, development and socio-economic priorities in an equitable and sustainable manner.

4.4 Attracting economic investment

Maintaining clean cities underpins economic activity and wellbeing. Investors are not interested in investing in filthy cities. Therefore, municipalities should place emphasis on sensible land use planning and development and building plan control for housing,

commercial, industrial and recreational uses. Investments in waste collection and treatment infrastructure should be made in tandem with industrial and urban developments to minimise pollution to our land and waters.

4.5 Borrowing for multi-year capital projects

In terms of sections 16(3) of the MFMA, money for capital expenditure may be appropriated for a period not exceeding three financial years, provided that a separate appropriation is made for each of those financial years.

Section 19(1) of the MFMA further states that *a municipality may spend money on a capital project only if —*

(a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2)(b) the project, including the total cost, has been approved by the council;
(b) section 33 has been complied with, to the extent that that section may be applicable to the project; and
(c) the sources of funding have been considered, are available and have not been committed *for other purposes.*

Before approving a capital project, the municipal council must consider:

a) the projected cost covering all financial years until the project is operational; and
b) the future operational costs and revenue on the project, including municipal tax and tariff implications.

A municipality must adjust the revenue and expenditure estimates in an approved annual budget downwards through an adjustments budget if there is material under-collection of revenue during the current year in terms of section 28(2) of the MFMA. It may also appropriate additional revenues that have become available over and above those anticipated in the annual budget, ***but only to revise or accelerate spending programmes already budgeted*** for. New capital projects can therefore not be included in the adjustments budget, unless provided for in terms of section 28(2) of the MFMA.

With regard to the shifting of funds between multi-year appropriations, section 31 of the MFMA requires that *when funds for a capital programme are appropriated in terms of section 16(3) for more than one financial year, expenditure for that programme during a financial year may exceed the amount of that year's appropriation for that programme, provided that –*

(a) the increase does not exceed 20 per cent of that year's appropriation for the programme;
(b) the increase is funded within the following year's appropriation for that programme;
(c) the municipal manager certifies that -
  (i) actual revenue for the financial year is expected to exceed budgeted revenue; and
  (ii) ***sufficient funds are available for the increase without incurring further borrowing beyond the annual budget limit****;*
(d) prior written approval is obtained from the mayor for the increase: and
(e) the documents referred to in paragraphs (c) and (d) are submitted to the relevant provincial treasury and the Auditor-General.

Considering the above sections of the MFMA, it is clear that section 16(3) allows for a multi-year capital appropriation not exceeding three financial years, while section 31 allows for:

- A maximum increase of 20 per cent in the appropriation for the year provided that it is funded within the following year's appropriation for that programme. By implication it

must be a multi-year programme and the increase should also fit within the limit of the next year's appropriation;

- Sufficient funds are available for the increase **without incurring further borrowing beyond the approved annual budget limit**. This means that additional revenues should be available in the year that the municipality intends to accelerate the expenditure or that a project saving that was funded from the borrowing that was approved for the current year should be used to prevent borrowing to exceed the annual budget limit; and
- This further implies that additional revenues should be available and prohibits the use of accumulated cash backed reserves from previous years for the acceleration of the programme.

Section 28(2)(b) prescribes that additional revenues that have become available may be used to revise or accelerate programmes already budgeted for. The same section further indicates that an adjustments budget process will be required to accelerate a capital programme. The municipal manager must provide certification that the additional revenues will be available within the financial year that the programme will be accelerated in terms of section 31 of the MFMA.

The legislation is not clear as to the timeframes for section 31 other than to state that prior written approval should be obtained from the Mayor. A prudent approach would be to include the documentation as part of the adjustments budget process and the dates set out in the Municipal Budget and Reporting Regulations.

This part of the Circular should also be read in conjunction with MFMA Circular No. 58 issued on 14 December 2011.

4.6 Refinancing of existing loans

Section 46(5) of the MFMA allows a municipality to re-financing existing long-term debt, provided that —

(a) the existing long-term debt was lawfully incurred;
(b) the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed;
(c) the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and
(d) the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.

If the re-financing of an existing loan does not comply with the above requirements, then the municipality should consider going to the market for a new loan that offers more affordable terms and/or negotiate a payment arrangement with the financial institution until the loan can be repaid as per the original terms.

5. Conditional Grant Transfers to Municipalities

This section provides guidance to municipalities with regard to the preparation for the 2019/20 unspent conditional grant and roll-over process and should be referenced against previous annual budget circulars.

5.1 Criteria for the rollover of conditional grant funds

Section 22 of the 2019 Division of Revenue Act (DoRA) requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer, provincial treasury and transferring national officer proves to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2019 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer must be addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2019 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that the project tender was published and the period for tender submissions closed before 31 March;
    b) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
    c) Proof of a project tender, appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
    d) Incorporation of the Appropriation Statement;
    e) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2021 (attach cash flow projection for the applicable grant).

4. A progress report (also in percentages) on the status of each project's implementation that includes an attached, legible **implementation plan**);
5. The value of the committed project funding, and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;
7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time-period within which the funds are to be spent if the roll over is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy, this also includes acting appointments as a result of suspensions of either MM or CFO that are more than 12 months.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2020, the application will be declined.

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2019 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements information to National Treasury by 31 August 2020;
3. Accurate disclosure of grant performance in the 2019/20 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Cash available in the bank (net position including short term investments) as at 30 June 2020 is equivalent to the amount that is unspent as at the end of the financial year. If the amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests.

It should be noted that under no circumstances will the National Treasury consider requests to roll-over:

1. The entire 2019/20 allocation to the municipality, in cases whereby the roll over request is more than 50 per cent of the total allocation National Treasury will approve the roll over amount up to 50 per cent of the 2019/20 allocation;
2. Roll Over request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the roll over application is linked to invoices that were issued before or on 31 May 2020.

5.2 Unspent conditional grant funds for 2019/20

The process to ensure the return of unspent conditional grants for the 2019/20 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their June 2020 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;

Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2020. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately;

Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2018 DoRA that the unspent funds are committed to identifiable projects, the roll over application pack must be submitted to National Treasury by 31 August 2020.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 23 October 2020;

Step 5: National Treasury will communicate the unspent conditional grants amount by 06 November 2020. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 20 November 2020; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 20 November 2020, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 04 December 2020 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved roll overs are addressed in the Annexure to MFMA Circular No. 86.

6. The Municipal Budget and Reporting Regulations

National Treasury, together with the provincial treasuries, are rolling out training on budgeting and transacting in the *m*SCOA environment to all provinces to improve the credibility of the 2020/21 MTREF budgets.

6.1 Assistance with the compilation of budgets

In cases where the municipality requires advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape	Matjatji Mashoeshoe	012-315 5553	Matjatji.Mashoeshoe@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng	Kgomotso Baloyi Kevin Bell	012-315 5866 012-315 5725	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za
KwaZulu-Natal	Kgomotso Baloyi Johan Botha	012-315 5936 012-315 5171	Kgomotso.Baloyi@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	Willem.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	Willem.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Western Cape	Vuyo Mbunge	012-315 5661	Vuyo.Mbunge@treasury.gov.za
Technical issues Local Government Database	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National Treasury, together with the provincial treasuries, will undertake a compliance check and, where municipalities have not provided complete budget information, the municipal budgets will be returned to the mayors and municipal managers of the affected municipalities for the necessary corrections. Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution in accordance with the format specified in regulation 31 of Schedule A of the Municipal Budget and Reporting Regulations. In addition to the above compliance check, the *m*SCOA data strings will be assessed to determine whether the municipalities are compliant.

The National Treasury herewith emphasises that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, ***they will be required to return to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The Schedule A that the municipality submits to National Treasury must be a consolidated budget for the municipality (plus entities) and the budget of the parent municipality. Schedules D must be submitted for each entity.

7. Municipal Chart of Accounts (*m*SCOA)

7.1 Release of Version 6.4.1 of the Chart

Version 6.4.1 was released to include the amendments in conditional grants as per the 2020 DoRA. Version 6.4.1 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF. It is available on the link below:

Link to *m*SCOA

7.2 Use of funding segment to populate the cash flow tables

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. The general rule that applies is that the “funding” and “Item” segments must be combined to provide cash flow information on how funds have been spent and on what.

This means that the budget is available at a cash flow level (A1 Schedule Budget Table SA30 and A7) and not when billing is done or when invoices are processed (A1 Schedule Budget Table A4: Statement of Financial Performance). Municipalities must apply the budgeted assumed collection rate to determine the cash flow budgets. Therefore, expenditure can only be processed against items with funding in line with the anticipated cash inflow and not billing. Municipalities should therefore identify the relevant source in the funding segment where revenue is received from and identify the funds to be used when payments are made. Guidance on this was provided in MFMA Circular No. 98.

However, there are still challenges to populate the detail of cash payments by type in the A1 Schedule Budget Table SA30 from Item Liabilities: Current Liabilities: Trade and other payables from exchange transactions as payables and accruals are not broken down by type (e.g. other materials, contracted services etc.). This omission of detail in the *m*SCOA chart will be addressed through chart amendments in version 6.5 of the chart.

As an interim measure the cash flow will be populated as follows:

For Cash Receipts:
The **cash receipts by source** will be populated using Item Assets: Current Assets: Cash and cash equivalents: Cash at bank: Bank account: Deposits in conjunction with the Funding Segment.

For Cash Payments:
The **cash payments** by type will be populated using Item Liabilities: Current Liabilities: Trade and other payables Exchange and Non- Exchange Transactions: Withdrawals in conjunction with the Funding Segment.

The cash payments that are not classified by type, will be grouped together as other payments on table SA30. This will enable population of suppliers and employees on the cash flow (Table A7).

National Treasury will share the linking of A1 Schedule Budget Tables SA30 and A7 to the *m*SCOA chart items to ensure that the cash flow information is populated correctly with municipalities and system vendors.

7.3 Capital Projects using Internally Generated Funding

Capital Projects in acquiring Assets using Internally Generated Funding must use: Funding: Capital: Transfer from Operational Revenue. This will ensure that table A5 will be populated correctly.

8. Budget process and submissions for the 2020/21 MTREF

8.1 Submitting budget documentation and schedules for 2020/21 MTREF

Accounting officers are reminded that Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in PDF and electronic formats. However, in cases where Council requires amendments to the tabled budget prior to consultation, municipalities should inform he National Treasury and the relevant provincial treasury *immediately* and submit the required budget documents and corresponding *m*SCOA data strings ***within three working days*** after the Council meeting.

The approved annual budget must still be submitted to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget.

8.2 Document uploads to the Local Government Upload Portal

Due to the number of queries received on the document upload process using the Local Government Upload Portal, a full guideline will be issued in due course to explain the process and to outline which documents will be required to upload.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post Private Bag X115, Pretoria 0001
Phone 012 315 5009
Fax 012 395 6553
Website http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
09 March 2020

Annexure to MFMA Circular No. 99

This Annexure to MFMA Circular No. 99 provides further guidance to municipalities and municipal entities regarding Government Gazette No.43181 on local government: Municipal Finance Management Act, 2003 - exemption from the Act and Regulations that was published on 30 March 2020.

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APPENDIX 1 9

1. MFMA Exemption Notice

The President of South Africa declared a nationwide lockdown, where all citizens, except those that form part of essential services, were ordered to stay home for a period of 21 days. Those working in essential services, as defined in the latter announcement, were exempted from the nationwide lockdown declaration. The nationwide lockdown commenced at midnight on Thursday, 26 March 2020. This announcement will broadly affect how municipalities and municipal entities undertake their financial management responsibilities for the remainder of the 2019/20 financial year in terms of the MFMA and more imminently the 2020/21 MTREF budget preparations process.

As a result, the Minister of Finance issued a conditional Exemption Notice in terms of section 177(1)(b) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) on 30 March 2020 to facilitate and enable the performance of legislative responsibilities by municipalities and municipal entities during the national state of disaster. Find hereto attached **a list of key time bound actions to be taken by MUNICIPALITIES which may be affected during the National State of Disaster (Appendix 1)**. However, it should be noted that:

(a) this is not an exhaustive list; and
(b) some of these provisions may fall outside or within the scope of the exemption should:
  i. the period of the disaster be extended; or
  ii. the period of the disaster be terminated earlier than anticipated.

Furthermore, the Minister of Cooperative Governance and Traditional Affairs, in terms of section 27(2) of the Disaster Management Act, 2002 (Act 57 of 2002) ("the DMA"), issued directives to address, prevent and combat the spread of COVID-19 in South Africa.

Municipalities and municipal entities will be exempted from the timeline provisions in the MFMA, until such time that the national state of disaster declaration is lifted by the Minister of Cooperative Governance and Traditional Affairs. The exemption is conditional in that "any action that was required to be taken in terms of the MFMA must be taken within 30 days after the national state of disaster lapsed or is terminated". This exemption should therefore enable municipalities and municipal entities to undertake their financial management responsibilities including their budget preparation processes in a manner taking cognisance of the challenges experienced as a result of the announcement of the national state of disaster and the nationwide lockdown. It also provides for a special adjustments budget to address any expenditure relating to COVID-19 for the current municipal financial year ending 30 June 2020.

Municipalities should note that only one adjustments budget will be allowed between the date of the declaration of the national state of disaster and 15 June 2020, which is the date when it is envisaged to end in terms of the DMA. Municipalities should therefore plan the date when the municipal council will pass the adjustments budget carefully to ensure that all related expenditure is authorised in this one special adjustments budget.

It is important that the Exemption Notice be understood within the context of the COVID 19 pandemic and the related declarations made by the President of the Republic of South Africa. The Exemption provided enabled a relaxation of all those provisions that would have compromised amongst others, the social distancing and the prohibition of gatherings of more than 100 people measures that was introduced as part of the national state of disaster declaration. The latter refers to council meetings where reports had to be approved before being made public, public consultation meetings, sitting of bid committees etc. In other words, every action or decision that requires some degree of human contact will be covered by this conditional exemption. All other actions or decisions e.g. paying suppliers within 30 days of receipt of invoice, etc. that involve minimal to no human contact should continue as normal.

Subsequent to the issue of the exemption notice, there were various queries raised by municipalities and other stakeholders on certain practical implications of the notice. This circular seeks to provide further clarity in this regard.

2. Socio-economic Impact

The National State of Disaster and subsequent lockdown comes amidst already dire macro-economic conditions which have seen South Africa slump into a technical recession and downgraded to sub-investment grade ("junk" status) and worsening already high levels of unemployment.

The lockdown will likely have a devastating effect on economic activity as non-essential business are forced to shut down completely resulting in a reduction in overall economic output and job losses. National Government, in conjunction with prominent private sector role-players, has introduced various forms of relief programmes to aid small businesses and employees alike during the period of the lockdown to compensate for a loss of income and wages, etc.

Municipalities will be impacted negatively due to a loss of revenue streams as businesses, households and communities reel from the economic fallout caused by COVID-19. They may also be required to expand their scope of basic services and free basic services to respond

directly to the socio-economic impacts of the pandemic and prevent the transmission of communicable diseases.

Given the developmental role of Local Government articulated in the Constitution, municipalities must assist Small-Medium Micro Enterprises (SMMEs) and communities to access the information on relief measures to ease the impact of COVID-19 provided by government.

3. Generic principles for considering a municipal response

The following core principles have been identified as being relevant in an event of disasters, where governance and financial management practices are still required, but balanced with the need for rapid and impactful responses:

- **Strategic management:** (i) Extraordinary operations that are different from day-to-day activities are required. (ii) A balance is required between the controls and speed of decision-making within the applicable legal framework, and the need to be responsive to COVID -19 requirements; and (iii) Disaster-related decisions should be sub-delegated to and exercised by those closest to and critical to the need to respond to the pandemic;
- **Supply chain management:** (i) Sourcing rules should be appropriately adapted within the applicable legal framework to enable procurement decisions to be exercised in a manner that achieves the desired procurement outcomes with the required urgency and responsiveness as far as is reasonably possible. MFMA Circular No. 100 already provide guidance in this regard. (ii) Applicable procurement roles should be adapted for the purposes of ensuring adequate emergency preparedness planning and responsiveness to the pandemic; and (iii) Resources will be deployed by organs of state most suitable to respond to the COVID-19 relief procurement needs from a legal, practical, resource and skill capability perspective;
- **Donations and sponsorship:** regulation 48 of the Municipal Supply Chain Management Regulations provides that the accounting officer of a municipality or municipal entity must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorships promised, offered or granted to the municipality or municipal entity, whether directly or through a representative or intermediary, by any person who is (i) a provider or prospective provider of goods or services to the municipality or municipal entity or (ii) a recipient or prospective recipient of goods disposed or to be disposed of by the municipality or municipal entity. Therefore, municipalities or municipal entities, must as part of the envisaged reporting in terms of MFMA Circular No. 100, report all donations/sponsorships received from the local or international donor community to the National Treasury and the relevant provincial treasury within 30 days of receipt.
- **Disaster Response Plans:** Municipalities should commit to pre-approved response plans, adjusted as necessary, and guard against deviations from established disaster response frameworks;
- **Risk assessment and mitigation:** As the pandemic rapidly spreads, municipalities must conduct a localised risk assessment to help identify areas of most pressing need. The assessment should reflect on likelihood and impact/magnitude of each risk. Municipalities are advised to amend their risk registers accordingly;
- **Revenue Management:** Revenue streams must be actively protected to mitigate the financial impact of COVID-19. Most business and households will feel the financial impact of COVID-19 (albeit to a varying degree) and will likely reprioritise their own spending patterns;
- **Expenditure Management:** All non-essential spending should be curtailed to optimise savings that can in turn be applied for disaster relief. Strategic management of priority functional classifications of budget allocations and basic incremental increases to primary mandates and functions to ensure basic operational effectiveness (recurrent budgeting) should be undertaken, with savings and developmental project allocations

channelled to areas of need identified through risk assessment while not losing sight of existing capital projects requirements; and

- Records are maintained for all expenditure incurred to ensure effective internal controls, special adjustments budget allocations and appropriations, and audit purposes.

4. Budgetary Implications

In response to the impact of COVID-19, municipalities are currently considering the reprioritisation of their funding allocations for the 2019/20 and 2020/21 financial year. Given the prevailing circumstances, municipalities may be under pressure to grant some form of relief to consumers, such as rates holidays, etc. However, we advise municipalities not to make assumptions about the ability of consumers to pay under these circumstance and prematurely grant relief measures as this is not supported by the National Treasury. We strongly advise municipalities to assess the merits of each case.

In doing so, National Treasury recommends that municipalities consider the following guiding principles:

i) Where municipalities consider initiatives to reduce the impact of COVID-19 on businesses and economic households such as rebates, payment holidays, relaxation of credit control measures municipalities –

a. must ensure that their liquidity and overall financial sustainability is not compromised;

b. in granting rebates to their consumers, should consider all the relevant legislation, regulations such as Municipal Property Rates Act (MPRA), MFMA dealing with revenue management within the disaster management principles;

c. must ensure that the relaxation of levying of interest for overdue payments for municipal services should be in line with Council's policies, by-laws and other applicable legislation;

d. must from a tariff perspective, understand that the prohibition on increasing tariffs in terms of section 28(6) of the MFMA still remains. Any tariff increase required during this national disaster period will be considered on a case by case basis. Municipalities are however allowed to decrease their tariffs in-year. With regard to tariffs tabled as part of the draft budget, the National Treasury views this as "indicative" and might change after the public consultation process. We therefore advise that whatever tariff is introduced or proposed as part of the draft budget tabled in March is indicative and municipalities are allowed to change the tariff (increase or decrease) **before** the final budget is adopted by the municipal council;

e. must as it relate to public consultation consider section 17(3)(a) of the MFMA which requires that the draft budget must be accompanied by draft resolutions that amongst others, impose any municipal taxes and setting any municipal tariff for the specific budget year. If the indicative tariff that was used to consult the public on the draft budget changed significantly post consultation, the municipal council will have to consult again on the revised tariff given the impact on the consumer. The nature of the consultation is the discretion of the municipality as it is not a legal requirement at the moment to consult again after the initial draft budget was made public. However, reasons for increasing the tariffs must be provided, and the municipality must consider special short-term tariff measures, so any increase may be undertaken on a short-term basis and reversed, depending on a case-by-case basis; and

f. Expenditure side measures and cost savings on the budget must also allow for limitations on increases as the levels of affordability for households and business may be breached.

ii) With respect to relief strategies to indigent households, municipalities should consider:
   a. reviewing their respective indigent policies to factor in the potential economic impact of COVID-19 on poor households; and
   b. the possibility of an increase in the number of indigent households while the quantum for free basic services remains within the national policy e.g. 6 kilolitres for water. Municipalities must ensure that financial sustainability is not compromised in implementing these policies. If the increase is implemented for the remainder of 2019/20 financial year (quarter four), it can be effected as part of the anticipated adjustments budgets allowed for by the Exemption Notice No. 43181 dated 30 March 2020.

iii) Municipalities are reminded that any expenditure related to COVID-19 should be **limited to the implementation of their mandates as outlined in the Constitution**, specifically related to the provision of basic services i.e. water, sanitation, refuse and electricity amongst others. By implication avoid creating unfunded mandates for themselves.

5. Conditional grants being used to respond to COVID-19

Municipalities should follow guidance issued by transferring officers regarding the use of conditional grant funds to support the response to the disaster. Some of the projects that need to be implemented urgently (such as provision of water infrastructure) can already be funded within the purpose and rules of conditional grants. In such cases, transferring officers will advise on the process for changing conditional grant business plans to enable the implementation of such projects.

Transferring officers and National Treasury will advise municipalities of any further changes to the use of conditional grants in 2019/20 to facilitate the response to the COVID-19 disaster.

Municipalities should follow closely any announcements from the National Treasury regarding revisions to allocations and conditional grant rules for 2020/21.

6. Tabling and adoption of 2020/21 MTREF budgets

It should be noted that municipalities that have already tabled their budgets will not be required to re-table such budgets after the lockdown given that they have already complied with the timelines for tabling. The exemption notice does not nullify compliance with the requirements of the MFMA prior to the nationwide lockdown. The exemption notice was issued to facilitate instances where municipalities could not comply with the provisions of the MFMA due to the nationwide lockdown.

Where a municipality has not submitted or published the tabled budget during the nationwide lockdown, then the exemption notice enables those municipalities to comply with these requirements within 30 days from the date that the national state of disaster is lifted. All requirements are therefore relaxed for as long as the national state of disaster is in effect. Note however that those municipalities that can comply with the law despite the current situation should continue to do so and report accordingly. The use of electronic mechanisms is encouraged.

The Minister of Cooperative Governance and Traditional Affairs (Minister of COGTA) issued a directive that suspends all council meetings during the period of the 21-day nationwide lockdown period. The same directive from the Minister of COGTA provides guidance around how council meetings and decision making must unfold post the 21-day nationwide lockdown period to consider amongst other, the adoption of the 2020/21 MTREF budget.

Therefore, depending on the municipality's ability to implement the measures introduced by the Minister of COGTA post the 21-day national lock down period, adoption of the budget by 31 May 2020 (including the approval of the BEPPs for Metros) should not be a problem and compliance in this regard should be attained. It is only in the event that, the municipality is unable to implement the measures introduced by the Minister of COGTA in relation to council sittings and associated decision making that the MFMA Exemption Notice issued by the Minister of Finance will cover the municipality in terms of allowing municipal councils to sit and adopt their budgets 30 days post the lifting of the national state of disaster by the President of the Republic of South Africa.

The municipality may consider other forms of having council meetings i.e. councillors can use their tools of trade to receive and consider draft budgets and casting their votes via email to a centrally controlled email system via the Office of the Speaker who can count all votes received and communicate the results via email to all councillors. The administration can then implement what council has decided. The latter will then ensure that council proceedings especially as it relate to the budget still proceeds albeit within the confines of the current situation. The exemption provided will then only be used in the event that it is extremely impossible to convene a council sitting in the manner described above.

7. 2019/20 reporting requirements

The nationwide lockdown affects amongst others, the monthly and quarterly performance reporting in terms of section 71 and section 52(d) of the MFMA respectively. The section 71 reporting can be done remotely in terms of a municipality's Business Continuity Plans. Reasons should be provided if this cannot be performed. Therefore, in cases where municipalities are unable to comply, municipalities must submit all reports that they have missed during the lockdown within 30 days after the national state of disaster is lifted. This includes Division of Revenue Act (DoRA) reporting requirements that are linked to monthly reporting in terms of section 71 of the MFMA. However, this **does not apply to all** DoRA reporting requirements. No exemption/departure is possible in respect of other monthly reporting provided for in DoRA that is not linked to any reporting requirement in the MFMA.

Municipalities are still expected to undertake the 2018/19 audit verification and submit the information on trading services gross and net operating margins. Similarly, this work does not require formal sittings and approval; therefore, it can be done as officials are expected to work from home during the nationwide lockdown, where mechanisms exists. The outcome of this work will have an impact on the timing of the state of local government finances and financial management report as at 30 June 2019. Importantly, municipalities must ensure that they submit separate *m*SCOA data strings for M09 and M10 as M09 is part of the reporting for quarter 3 of the 2019/20 financial year, while M10 forms part of the quarter 4 reporting.

In addition, given that National Treasury is tasked by Cabinet to anticipate / calculate the impact of this National Disaster across the spheres of government together with the impact of the downgrading on the broader economy, municipalities are requested to still submit their monthly Section 71 and other reports informally to the Local Government Database although formally exempted to do so. This will be in the best interests of individual municipalities and the local government sphere as a whole.

Additional reporting requirements relating to the impact on your special adjustments budget for 2019/20 as well as the main 2020/21 MTREF budgets will soon be circulated. In anticipation that revenue collections are likely to be impacted by the economic fall-out of COVID-19, and by implication reducing cash buffers in municipalities, it is important that the correct and appropriate decisions are made by municipalities during this critical period, as this will have a profound impact on financial and operational sustainability going forward. This information will

be required to assist both National and provincial treasuries to excise their oversight and support responsibilities as articulated in the Constitution.

8. Revenue and Expenditure Management

Municipalities must perform their normal billing and credit control in the spirit of good financial management practices in order to ensure that they can still honour their service delivery obligations.

8.1 Payment of Creditors

Municipalities must continue to pay for services rendered within the framework of the measures introduced by the President of the Republic of South Africa. The exemption notice does not divest municipalities of their contractual obligations and such will still have to be met. Therefore, municipalities must ensure that all services rendered are paid for as and when they become due. Municipalities must still comply with section 65(2)(e) of the MFMA which requires them to pay creditors within 30 days of receiving the relevant invoice or statement.

8.2 The wage bill

The 2020 Budget Review highlighted the proposed wage bill reduction for the public service. Similar to national and provincial government, municipalities must ensure that compensation demands are balanced with the broader needs of society. In this context, municipalities should start taking decisive action to address bloated organisational structures and above inflation wage increases.

Wage bill increases are crowding out spending on capital projects for future economic growth and impacts on service delivery.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving own revenue collection, working more efficiently and implementing cost containment measures.

9. Tabling and adoption of completely new 2020/21 MTREF budgets

The National Treasury will have no objection if any municipality is of the opinion that it will have to re-do their entire 2020/21 MTREF budget, given that these budgets were prepared prior to the declaration of the national disaster and subsequent nationwide lockdown. Municipalities seeking to exercise this option should take into consideration the principles outlined in paragraph 3 above as well as the extent of reprioritisation required. Furthermore, the public participation process as a result of the changes made must be considered as outlined in paragraph 4 above. Those municipalities that are unsure of their ability to make decisions of this nature are invited to approach their respective provincial treasury during this process to assist them in this regard.

10. Conclusion and the way forward

The COVID-19 pandemic has introduced new dimensions of volatility, uncertainty, complexity and ambiguity to the task of financial stewardship across all spheres of government. Public policy decision-makers at all levels of government must act with vision, understanding, clarity and agility in responding to the crisis in a resilient manner. This will require a fundamental strategic rethink of the way in which we currently conduct our planning, budgeting and implementation processes.

The annual National and Provincial Budget and Benchmark assessment process of the tabled municipal budgets is still in progress within the constraints of the national lockdown. The discussion will be strategic in nature and include a focus on the implications of the municipality's proposed response to Covid-19. The annual Budget and Benchmark assessment engagements on the annual budgets are scheduled to take place from end of April 2020 until the end of May 2020 via video conferencing.

Any enquiries pertaining to this circular or the MFMA directive should be directed to MFMA helpdesk at the following email address: MFMA@treasury.gov.za.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
08 April 2020

Appendix 1

SCHEDULE OF SOME KEY TIMEBOUND ACTIONS TO BE TAKEN BY MUNICIPALITIES IN TERMS OF THE MFMA TO WHICH THE EXEMPTION NOTICE APPLIES

Note: This schedule is not an exhaustive list of all time-bound actions to be taken by municipalities and municipal entities in terms of the MFMA and regulations thereto to which the Exemption Notice applies. This schedule lists examples of time-bound actions to be taken by municipalities to which parts of the Exemption Notice applies.

No.	Action	Empowering provision	Timeline specified in the MFMA
1.	The accounting officer of a municipality must: • Table in the municipal council a consolidated report of all withdrawals made in terms of section 11(1)(b)-(j) of the MFMA; and • Submit a copy of such report to the Provincial Treasury and the Auditor-General.	Section 11(4)(a) of the MFMA	Within 30 days after the end of each of the following quarters: • 1 July to 30 September • 1 October to 31 December • 1 January to 31 March • 1 April to 30 June
2.	The municipal council must approve the annual budget (together with all supporting documents referred to in section 24(2) of the MFMA) for the forthcoming financial year.	Section 16(1), read with section 24(2), of the MFMA	On or before 30 June
3.	The mayor of a municipality must table the annual budget, together with all supporting documents referred to in section 17(3) of the MFMA, at a municipal council meeting.	Section 16(2) of the MFMA	At least 90 days before 1 July (i.e. on or before 31 March)
4.	The accounting office of a municipality must make the annual budget and supporting documents referred to in section 17(3) of the MFMA public and invite the local community to submit representations in connection with the annual budget.	Section 22(1)(a) of the MFMA	Immediately after tabling of the annual budget
5.	The accounting officer of a municipality must submit the annual budget: • In both printed and electronic formats to the National Treasury and the Provincial Treasury; and • In either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.	Section 22(1)(b) of the MFMA	Immediately after the tabling of the annual budget
6.	The municipal council must consider the views of the local	Section 23(1) of the MFMA	After the tabling of the annual budget and completion of the

No.	Action	Empowering provision	Timeline specified in the MFMA
	community, as well as the National Treasury, Provincial Treasury and any national or provincial organs of state or municipalities which made submissions on the annual budget.		prescribed public participation processes but before the approval of the annual budget
7.	The municipal council must give the mayor an opportunity: • To respond to the submissions received on the annual budget; and • If necessary, to revise the budget and table amendments for consideration by the municipal council.	Section 23(2) of the MFMA	Once the municipal council has considered all submissions on the annual budget but before the approval of the annual budget
8.	The municipal council must consider approval of the annual budget.	Section 24(1) of the MFMA	At least 30 days before the start of the next financial year (i.e. at least 30 days before 1 July)
9.	The municipal council must reconsider and vote again on the annual budget, or an amended version thereof, where it fails to approve the annual budget.	Section 25 of the MFMA	Within 7 days of the council meeting that failed to approve the annual budget
10.	The mayor of a municipality must inform the Provincial Minister responsible for Finance, in writing, of any impending non-compliance with any provision of the MFMA or any other legislation pertaining to the tabling or approval of an annual budget process or compulsory consultation processes	Section 27(1) of the MFMA	Upon becoming aware of any impending non-compliance with any provision of the MFMA or any other legislation pertaining to the tabling or approval of an annual budget process or compulsory consultation processes
11.	The mayor of a municipality may apply to the Provincial Minister responsible for Finance, on good cause shown, for an extension of any time limit or deadline imposed by the MFMA (excluding section 16(1) of the MFMA).	Section 27(2) of the MFMA	Upon becoming aware of any impending non-compliance with any time provision of the MFMA or any other legislation pertaining to the tabling or approval of an annual budget process or compulsory consultation processes, but before the time limit expires or the deadline passes
12.	The mayor of a municipality must, upon becoming aware of any actual non-compliance by the municipality of a provision of Chapter 4 of the MFMA, inform the council, the Provincial Minister responsible for Finance and the National Treasury, in writing, of— (a) such non-compliance; and (b) any remedial or corrective measures the municipality intends to implement to avoid a recurrence.	Section 27(3) of the MFMA	Upon becoming aware of any actual non-compliance by the municipality of a provision of Chapter 4 of the MFMA

No.	Action	Empowering provision	Timeline specified in the MFMA
13.	The mayor must table an adjustment budget in line with prescribed timelines.	Section 28 of the MFMA	Prescribed in regulations to the MFMA
14.	If the mayor of a municipality, in emergency or other exceptional circumstances, authorises unforeseeable and unavoidable expenditure for which no provision was made in an approved budget, such expenditure must be appropriated in an adjustments budget passed by the municipal council.	Section 29(3) of the MFMA	Within 60 days after the date on which the expenditure was incurred
15.	Funds appropriated in an annual or adjustments budget must be spent to avoid the relevant appropriation lapsing to the extent that such funds are unspent.	Section 30 of the MFMA	On or before the end of the financial year (i.e. 30 June), unless the appropriation of expenditure was made for a period longer than the financial year
16.	The accounting officer of a municipality must promptly inform the mayor, the Provincial Minister responsible for Local Government and the Auditor-General of certain matters relating to unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality	Section 32(4) of the MFMA	Promptly after the unauthorised, irregular or fruitless and wasteful expenditure in question has been incurred
17.	The accounting officer must comply with the consultation and public participation requirements applicable before certain contracts that have future budgetary implications beyond the three-year period covered in the annual budget are concluded.	Section 33(1)(a) of the MFMA	At least 60 days before the meeting of the municipal council at which the contract in question is approved
18.	Municipalities must meet all financial commitments towards other municipalities or national or provincial organs of state.	Section 37(1)(c) of the MFMA	Promptly
19.	The accounting officer of a municipality responsible for the transfer of an allocation to another municipality must notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during the next financial year.	Section 37(2) of the MFMA	At least 120 days before the start of the next financial year
20.	Municipalities and municipal entities must take all reasonable steps necessary to resolve disputes of a financial nature without having to resort to litigation and, where necessary, report such disputes to the National Treasury.	Section 44 of the MFMA	As promptly as possible

No.	Action	Empowering provision	Timeline specified in the MFMA
21.	A municipality intending to incur long-term debt must comply with the consultation, public participation and notice requirements applicable before incurring such debt.	Section 45(3) of the MFMA	Not later than 21 days prior to the municipal council meeting which the debt in question will be considered for approval
22.	The mayor of a municipality must submit a quarterly report to the municipal council on the implementation of the budget and the financial state of affairs of the municipality.	Section 52(d) of the MFMA	Within 30 days after the end of each of the following quarters: • 1 July to 30 September • 1 October to 31 December • 1 January to 31 March • 1 April to 30 June
23.	The mayor of a municipality must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year.	Section 53(1)(c)(i) of the MFMA	Before 1 July
24.	The mayor of a municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the mayor.	Section 53(1)(c)(ii) of the MFMA	Within 28 days after the approval of the annual budget
25.	The mayor of a municipality must report to the municipal council and the Provincial Minister responsible for Finance any delay in the tabling of an annual budget, the approval of the service delivery and budget implementation plan or the signing of the annual performance agreements.	Section 53(2) of the MFMA	Promptly
26.	The mayor of a municipality must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the service delivery and budget implementation plan, are made public.	Section 53(3)(a) of the MFMA	Not later than 14 days after the approval of the service delivery and budget implementation plan
27.	The mayor of a municipality must ensure that the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed, are made public and that copies of such performance agreements are submitted to the council and the Provincial Minister responsible for Local Government.	Section 53(3)(b) of the MFMA	Not later than 14 days after the approval of the municipality's service delivery and budget implementation plan
28.	The mayor of a municipality must consider and take the required actions to address a statement or report submitted to him or her by the accounting officer of the	Section 54 of the MFMA	Promptly upon receipt of the statement or report

No.	Action	Empowering provision	Timeline specified in the MFMA
	municipality in terms of section 70 or 71 of the MFMA (including addressing any serious financial problems identified in such statement or report).		
29.	If a municipality has not approved an annual budget by the first day of the budget year or if the municipality encounters a serious financial problem referred to in section 136, the mayor of the municipality must report the matter to the Provincial Minister responsible for Local Government.	Section 55 of the MFMA	Immediately upon a failure by a municipality to approve an annual budget by the first day of the budget year or immediately upon a serious financial problem referred to in section 136 of the MFMA is encountered
30.	The accounting officer of a municipality must take all reasonable steps to ensure that the revenue due to the municipality is calculated on a monthly basis.	Section 64(2)(b) of the MFMA	On a monthly basis
31.	The accounting officer of a municipality must take all reasonable steps to ensure that accounts for municipal tax and charges for municipal services are prepared.	Section 64(2)(c) of the MFMA	On a monthly basis or less often as may be prescribed in regulations where monthly accounts are uneconomical
32.	The accounting officer of a municipality must take all reasonable steps to ensure that all money received is deposited in accordance with the MFMA into the municipality's primary and other bank accounts.	Section 64(2)(d) of the MFMA	Promptly
33.	The accounting officer of a municipality must take all reasonable steps to ensure that all revenue received by the municipality, including revenue received by any collecting agent on its behalf, is reconciled.	Section 64(2)(h) of the MFMA	At least on a weekly basis
34.	The accounting officer of a municipality must inform the National Treasury of any payments due by an organ of state to the municipality in respect of municipal tax or for municipal services, if such payments are regularly in arrears for periods of more than 30 days.	Section 64(3) of the MFMA	Immediately
35.	The accounting officer of a municipality must take all reasonable steps to ensure that any funds collected by the municipality on behalf of another organ of state is transferred to that organ of state.	Section 64(4)(a) of the MFMA	At least on a weekly basis
36.	The accounting officer of a municipality must take all	Section 65(2)(e) of the MFMA	Within 30 days of receiving the relevant invoice or statement,

No.	Action	Empowering provision	Timeline specified in the MFMA
	reasonable steps to ensure that all money owing by the municipality is paid.		unless prescribed otherwise in regulation for certain categories of expenditure
37.	The accounting officer of a municipality must take all reasonable steps to ensure that all financial accounts of the municipality are closed and reconciled with its records.	Section 65(2)(j) of the MFMA	At the end of each month
38.	The accounting officer of a municipality must report to the municipal council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits	Section 66 of the MFMA	As prescribed in regulation
39.	The accounting officer of a municipality accounting officer must submit to the mayor: • A draft service delivery and budget implementation plan for the budget year; and • Drafts of the annual performance agreements as required in terms of section 57(1)(b) of the Municipal Systems Act for the municipal manager and all senior managers.	Section 69(3) of the MFMA	Not later than 14 days after the approval of the annual budget
40.	The accounting officer of a municipality must report in writing to the municipal council: (a) any impending— (i) shortfalls in budgeted revenue; and (ii) overspending of the municipality's budget; and (b) any steps taken to prevent or rectify such shortfalls or overspending.	Section 70(1) of the MFMA	Prior to the said revenue shortfalls and overspending occurring
41.	The accounting officer of a municipality must notify the National Treasury where the municipality's bank account(s) show(s) a net overdrawn position for a period exceeding a prescribed period.	Section 70(2) of the MFMA	Promptly
42.	The accounting officer of a municipality must submit to the mayor of the municipality and the Provincial Treasury a statement in the prescribed format on the state of the municipality's budget reflecting certain required particulars for that month and for the financial year up to the end of that month.	Section 71(1) of the MFMA	Not later than 10 working days after the end of each month
43.	The accounting officer of a municipality which has received an allocation referred to in	Section 71(5) of the MFMA	Not later than 10 working days after the end of the month in which the relevant allocation is received

No.	Action	Empowering provision	Timeline specified in the MFMA
	section 71(1)(e) of the MFMA during any particular month must submit that part of the statement reflecting the particulars referred to in section 71(1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.		
44.	The accounting officer of a municipality must adhere to the general reporting obligations set out in section 74 of the MFMA.	Section 74 of the MFMA	As prescribed by regulation or as required
45.	The accounting officer of a municipality must place the documents referred to in section 75(1) of the MFMA on the municipality's website.	Section 75(2) of the MFMA	Not later than 5 days after each document is tabled in the municipal council or on the date on which it must be made public, whichever occurs first
46.	The accounting officer of a municipality must monitor the performance of each contractor of the municipality.	Section 116(2)(b) of the MFMA	On a monthly basis
47.	The accounting officer of a municipality must report to the municipal council on the management of contracts with contractors.	Section 116(2)(d) of the MFMA	On a regular basis
48.	The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.	Section 121(1) of the MFMA	Within nine months after the end of a financial year (i.e. before 31 March)
49.	The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(a) of the MFMA	Within two months after the end of the financial year to which annual financial statements relate
50.	The accounting officer of a municipality referred to in section 122(2) of the MFMA must prepare consolidated annual financial statements in terms of that section and, within three months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(b) of the MFMA	Within three months after the end of the financial year to which the relevant annual financial statements relate
51.	The mayor of a municipality must table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared	Section 127(2) of the MFMA	Within seven months after the end of a financial year

No.	Action	Empowering provision	Timeline specified in the MFMA
	control.		
52.	Once the annual report is tabled in the municipal council, the accounting officer of the municipality must make the annual report public, follow the required public participation process, and submit the annual report to the Auditor-General, the Provincial Treasury and the Department of Local Government.	Section 127(5) of the MFMA	Immediately
53.	The accounting officer of a parent municipality must report on any non-compliance of a municipal entity under the sole control of the parent municipality with sections 121(1) or 126(2) of the MFMA, together with reasons for such non-compliance, to the municipal council of the parent municipality, the Provincial Treasury and the Auditor-General.	Section 128 of the MFMA	Promptly
54.	The council of a municipality must adopt an oversight report containing the council's comments on the annual report.	Section 129(1) of the MFMA	Not later than two months from the date on which the annual report was tabled in the municipal council in terms of section 127 of the MFMA
55.	The accounting officer of a municipality must make an oversight report adopted by the municipal council public.	Section 129(3) of the MFMA	Within seven days of the date on which the oversight report is adopted in terms of section 129(1) of the MFMA
56.	The accounting officer of a municipality must submit the annual reports and oversight reports referred to in sections 132(1)(a) and 132(1)(b) of the MFMC to the Western Cape Provincial Legislature.	Section 132(2) of the MFMA	Within seven days after the municipal council has adopted the relevant oversight report in terms of section 129(1) of the MFMA
57.	The mayor of a municipality mayor must promptly table in the council a written explanation setting out the reasons for the failure to submit the annual financial statements to the Auditor-General in terms of section 126(1) or 126(2) of the MFMA or the failure to table the required annual reports in terms of section 127(2) of the MFMA.	Section 133(1)(a) of the MFMA	Promptly

Mr M Booysen
Local Government Budget Office
E-mail: Malcolm.Booysen@westerncape.gov.za
Tel: +27 21 483 3386 Fax: +27 21 483 4680

Reference: RCS/C.5

Private Bag X9165
CAPE TOWN
8000

TREASURY CIRCULAR MUN. NO. 4/2020

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR H CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MS M BAINS
THE MAYOR, CEDERBERG MUNICIPALITY: MS S QUANTA
THE MAYOR, BERGRIVIER MUNICIPALITY: MR R VAN ROOY
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MR HM JANSEN
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART
THE MAYOR, SWELLENDAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KANNALAND MUNICIPALITY: MS M BARRY
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR C SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MR A TSENGWA
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: DR A RABIE
THE MAYOR, LAINGSBURG MUNICIPALITY: MR M GOUWS
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR N CONSTABLE
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THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR L PHILLIPS (ACTING)
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR H SLIMMERT (ACTING)
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV. H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR J LEIBBRANDT
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THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE
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THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: DR S VATALA
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
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THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS A VORSTER
THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR K HAARHOFF
THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: DR JCP TESSELAAR
THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR J BOOYSEN
THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR F LÖTTER
THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
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THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR B BROWN
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THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDÉ
THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H VAN BILJON
THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
THE CHIEF FINANCIAL OFFICER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR JW DE JAGER
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THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR DM ASMAL
THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MS Z VAN ROOYEN (ACTING)
THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: (VACANT)
THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR V MKHEFA
THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR M MEIMANI
THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MS U BAARTMAN
THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR CJ KYMDELL

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THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (MS J GANTANA) (ACTING)
THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR IG SMITH) (ACTING)
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THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS A PICK) (ACTING)
THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (VACANT)
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THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS T RAKIEP) (ACTING)
THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)
THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)

THE PROVINCIAL AUDITOR
MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT
THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)
THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

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MUNICIPAL BUDGET CIRCULAR FOR THE 2020/21 MTREF AND ASSOCIATED STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENTS: 2020

1. PURPOSE

The purpose of this circular is to:

- provide guidance to municipalities with the finalisation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF) Budgets and accompanied budget documentation, and
- brief municipalities on the 2020 Strategic Integrated Local Government Medium Term Expenditure Committee Process (i.e. LG MTEC) and related matters.

2. LEGISLATIVE CONTEXT

The Western Cape Provincial Government has institutionalised the Strategic Integrated Municipal Engagements (SIME; previously referred to as LGMTEC) process in fulfilment of its obligations under:

- Sections 5, 22 and 23 of the Local Government: Municipal Finance Management Act (MFMA), Act No. 56 of 2003; and
- Chapter 5 of the Local Government: Municipal Systems Act (Act No. 32 of 2000) [MSA].
- Chapter 3 of the National Environmental Management Act (Act No. 107 of 1998) (NEMA); and
- Chapter 4 of the Spatial Planning and Land Use Management Act (Act No. 16 of 2013) (SPLUMA).

The 2020 SIME process gives effect to the "Integrated Work Plan" agreed to in 2017. It builds on the 2019 integrated municipal and provincial processes in order to strengthen alignment between municipal and provincial planning and budgeting and driving the theme of "**Integrated Service Delivery**". The 2020 process continues to drive this theme for the current 4th Generation Integrated Development Planning Cycle.

The SIME process has been amended from previous years in response to the challenges resulting from the Coronavirus disease (COVID-19) pandemic.

3. BACKGROUND

3.1 2020 National Budget

The 2020 National Budget, which was tabled by the Minister for Finance, Tito Mboweni on 26 February 2020, was formulated in an environment of slow economic growth and constrained fiscal environment. Low growth has led to a R63.3 billion downward revisions to estimates of tax revenue in 2019/20 relative to the 2019 Budget. To support growth, no major tax increases have been proposed. Debt is not projected to stabilize over the medium term, and debt-service costs now absorb 15.2 per cent of main budget revenue. Over the next three years, the 2020 Budget proposes total reductions of R261 billion, which includes a R160.2 billion reduction to the wage bill of national and provincial departments, and national public entities. Reallocations and additions total R111.1 billion over the medium term, of which R60 billion is set aside for Eskom (to address the electricity crises via debt payment, the renewable energy programme and allowing municipalities to purchase electricity from independent power producers) and South African Airways. These measures narrow the consolidated deficit from 6.8 per cent of GDP in 2020/21 to 5.7 per cent in 2022/23, with debt rising to 71.6 per cent of GDP over the same period.

Along with faster economic growth, fiscal sustainability will require targeted reduction of specific programmes, and firm decisions to rein in extra-budgetary pressures, including reform of state-owned companies and the Road Accident Fund (RAF).

Key programmes to be implemented over the medium term include: modernizing network industries; restructuring state-owned enterprises; opening markets to trade with the rest of the continent; focusing on job creating sectors such as agriculture and tourism; lowering the cost of doing business, supporting Jobs Fund projects; creating a fairer process for third party access into the rail network; the Innovation Fund; Industrial Business Incentives, refurbishment of industrial parks in townships and rural economies; small business incentive programmes; and implementing a State Bank.

The 2020 National Budget documentation are available at:

http://www.treasury.gov.za/documents/National%20Budget/2020/

3.2 2020 Western Cape Provincial Budget

The 2020 Provincial Budget, which was tabled by the Minister of Finance and Economic Opportunities, Mr David Maynier on 10 March 2020, was formulated in an environment of sluggish economic growth and fragile fiscal environment. The Western Cape is also confronted by perennial supply side constrains in the water and energy sectors, rising crime levels, increased service load pressures associated with population growth.

The 2020 MTEF offers the Western Cape Government (WCG) response to the volatile and uncertain economic and fiscal environment, while giving effect to the Province's vision of a "safe Western Cape where everyone prospers". The MTEF aims to ensure that the credibility and sustainability of public finances is maintained while keeping the citizen at the centre of delivery through responsive fiscal and budget policy.

The Provincial Budget amounts to R71.619 billion in 2020/21, R74.887 billion in 2021/22 and R78.308 billion in 2022/23. The Provincial Budget delivers on the Western Cape's Vision Inspired Priorities (VIPs) embedded in the 2020-2024 Provincial Strategic Plan by allocating an estimated R224 billion over the medium term as follows:

- R4 billion towards VIP1: To create **safe and cohesive communities** by enhancing capacity and effectiveness of policing and law enforcement; strengthening youth-at-risk referral pathways and child-and-family centred initiatives to reduce violence; and increasing social cohesion and safety of public spaces.

- R32.4 billion towards VIP 2: Economic **growth and jobs** by increasing investment; engaging in infrastructure investment and development and building and maintaining infrastructure; growing the economy through export growth and resource resilience; and creating opportunities for job creation through skills development.

- R173.8 billion towards VIP 3: **Empowering people** through long-term and holistic planning that target socio-economic challenges facing children and families, education and learning, youth and skills, health and wellness and older persons and persons with disabilities.

- R24.6 billion towards VIP 4: Enabling **Mobility and Spatial Transformation** through better linkages between places through public transport and mobility systems that work together; creating spatially and economically viable growth points; creating more opportunities for people to live in better locations; and improving the places where people live.

- R7.5 billion towards VIP 5: **Innovation and Culture**: where the WCG will engage in citizen-centric culture and innovation; innovation for impact; integrated service delivery and good governance transformation.

The 2020 Provincial Budget documentation are available at:
https://www.westerncape.gov.za/provincial-treasury/news/western-cape-budget-202021

3.3 2020/21 Strategic Integrated Municipal Engagements

The Integrated Implementation Plan (IIP) for Provincial and Municipal planning, budgeting and implementation is an annual plan which outlines the approach, processes and actions required as well as the stakeholders who will be involved in executing the Integrated Work Plan (IWP) for the respective year. Taking an Integrated Management approach therefore involves the practice of co-planning, co-budgeting and co-implementation through both vertical and horizontal integration. The IIP takes into account the policy, economic and fiscal context and identifies the objectives and approach for 2020/21 to give effect to Integrated and Citizen-centric Service Delivery. The IIP is the official departure point for the 2020/21 integrated planning and budgeting process and is further complimented by the Joint District Approach. The 2020/21 integrated planning and budgeting process focuses on strengthening the progress made to align planning and budgeting in the Province and will place particular emphasis on enhancing the provincial and local government interface.

The Integrated Management approach seeks to ensure that, inter alia, the budgets, programmes and projects of municipalities and provincial and national departments are derived from robust and integrated planning processes, at the heart of which is the development of an Integrated Development Plan (IDP) and its core components, such as a Spatial Development Framework (SDF). SDFs must direct the spatial location of growth and development within the municipal areas.

The *SIME* which takes place in April and May precedes the approval and implementation of municipal budgets. The engagement provides provincial government the opportunity to assess the Municipality's compliance and performance through the planning review of Municipal IDP and budgeting efforts for the upcoming financial year**.**

The engagement will include an assessment compliance and performance information obtained from the Western Cape Monitoring and Evaluation System (MES) as well as conformance, responsiveness, credibility and sustainability of the municipality's draft budget, IDP, SDF and supporting plans to ensure they are aligned and give effect to the national and provincial priorities while highlighting possible risks and informing provincial support plans to municipalities.

The SIME process will primarily focus on strategic issues emanating from the municipalities integrated development plans, strategic development planning frameworks and draft annual budgets. The aim will be to strengthen the synergies between the three main sets of documents in order to gear the municipalities for sustainable growth and development and social upliftment.

A key focus of the 2020/21 SIME process will be on local governments responsiveness to its socio-economic environment and the related impact for its citizens. This will also reveal potential opportunities and gaps for spending and collaboration or partnerships with Province or other stakeholders.

The overall objectives of the 2020/21 SIME process and the key messages therefore emphasises:

- Aligning strategic intent as encapsulated within the 2019 - 2024 Provincial Strategic Plan and Integrated Development Plans (IDP) and municipal budgets to create public value based on the community needs/priorities identified through the public participation processes;
- Safeguarding of municipal sustainability by ensuring that municipalities table funded budgets and the strengthening of municipal financial management;
- Ensure optimal and targeted service delivery through strategic spatial planning and alignment;
- Deepening of an integrated approach to service delivery with the intention of creating synergies through the consolidation/concentration of resources, also across different spheres of government;
- Identification of areas that require amendment to the IDP; support and training; as well as opportunities for collaboration and partnerships.

The discussions at the engagements are strategic in nature. The representation at the SIME engagements between the Province and municipalities will be as follows:

- The Provincial Government - senior officials from the Provincial Treasury, Department of Local Government, Department of Environmental Affairs and Development Planning and relevant provincial departments.
- Municipalities - Municipal Manager, section 56 Managers, Budget and Treasury officials, IDP Manager/officials and Planning officials.
- **Due to the developments with the COVID-19 pandemic and the measures announced by the President to minimize the risk of the spread of the disease, SIME engagements will no longer take place on site at municipal offices. The Provincial Treasury will instead arrange for engagements to take place via video-conferencing.** A list of available video-conference facilities across the Province will be made available for use by any municipality that does not have access to such facilities.
- The SIME engagements are provisionally scheduled to take place from 24 April 2020 to 8 May 2020 and is subject to confirmation from the municipalities. PT will communicate with each Municipality on an individual basis to confirm the date and time of the engagement.

4. NATIONAL TREASURY AND PROVINCIAL TREASURY GUIDELINES

4.1 Context

- Municipalities are advised to consult the latest Budget Circular, MFMA Circular 99 released on 9 March 2020, which is a follow up circular on MFMA Circular 98 issued on 6 December 2019.
- Municipalities MUST include the National and Provincial Treasury Budget Circulars as part of the source documents consulted in the preparation of the 2020/21 MTREF Budget documents and table it as part of the budget documentation in the Municipal Council.

4.2 Changes to the Local Government Fiscal Framework

Improve municipal revenue thru pilot initiatives

The 2020 Budget includes funding to support pilot initiatives to improve municipal revenue collection. The National Treasury will work with selected municipalities that have large outstanding debts to bulk

suppliers, including Eskom, as a result of customer non-payment. Smart meters will be retrofitted in these municipalities to test whether revenue collections increase sufficiently to pay for the meters and recover associated costs. If so, further rollout of smart meters may be funded by borrowing against future revenue increases. The Department of Cooperative Governance has also been funded to run a payment culture campaign.

Review of municipal funding model

In 2020, the Minister of Finance will host a special lekgotla of the Budget Forum – the intergovernmental structure established to facilitate formal consultation on local government finances – to review the municipal funding model broadly. The National Treasury is working with the Department of Cooperative Governance, the South African Local Government Association, the Financial and Fiscal Commission and provinces to prepare for this lekgotla.

Division of Revenue Outlook

Municipalities will be experiencing pressure as they are expected to expand the provision of free basic services and improve revenue collection. This comes on the back of large reductions in transfers to municipalities (conditional grants) in the 2020 MTEF; a reduction in the amount of cities with access to the Public Transport Network Grant; and the Municipal Cost Containment Regulations, 2019 which calls for municipalities to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures. Re-prioritization of projects may therefore be required over the MTEF.

Local Government conditional grants and additional allocations

The proposed division of revenue will prioritize the funding of services for the poor. Allocations will be geared towards the provision of basic services, new infrastructure and maintenance of existing infrastructure.

The 2020 Division of Revenue Bill (DoRB) indicates that equitable share transfers to Western Cape local municipalities for the 2020 MTREF amount to R5.689 billion and will grow at an annual average rate of 6.6 per cent over the MFEF period. Municipalities will receive unconditional funding in the form of equitable share and the general fuel levy. Conditional grant funding must be utilised for the intended purpose within the timeframes, as specified in the annual DoRB. Unspent funds should be returned to the fiscus. Requests for roll-overs will only be considered where unforeseen and unavoidable circumstances led to underspending of conditional grants. Refer to the criteria for the rollover of conditional grants as published in MFMA Circular No. 75. Unspent cash-backed grants should be classified as "Cash and cash equivalents" and any over expenditure must be funded from the municipalities own revenue.

The 2020 DoRB has been published by the Minister of Finance. The grant allocations are specified in this Act and municipalities must reconcile their budgets to the numbers published therein. Municipalities are advised to use these numbers to compile their 2020/21 MTREF. The DoRB is available at:
http://www.treasury.gov.za/legislation/bills/2020/[B03-2019]%20Division%20of%20Revenue.pdf

Changes to the structure of local government allocations

The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Due to underinvestment in infrastructure amongst large urban municipalities, government will introduce dedicated grant funding for these municipalities. Eligible municipalities will receive co-financing on a declining basis over three years. Financing will be conditional on establishing a municipal project preparation fund and an infrastructure delivery management system, and achieving targets for programmes and projects under preparation. Funding for this new facility will be reprioritised from existing allocations to municipalities.

Government will continue to assist municipalities with raising their revenue. The Municipal Fiscal Powers and Functions Amendment Bill, which has been published for public comment (due 31 March 2020), will standardise the regulation of development charges. Currently, these charges are frequently below cost. The change could increase municipal revenues for capital spending by an estimated R20 billion a year. The draft Bill can be accessed on the National Treasury website at: http://www.treasury.gov.za/legislation/draft_bills/default.aspx.

4.3. Municipal Tariffs and Charges Increases

- Municipalities are urged to maintain tariff and charges increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring sustainability of the Municipality.
- Consumer Price Index (CPI) inflation is forecasted to be within the upper limit of the 3 to 6 per cent target band; thus municipalities are required to justify all increases in excess of the projected inflation target of ***4.5 per cent*** for 2020/21, ***4.6 per cent*** for 2021/22 and 2021/22 in their budget narratives, and pay careful attention to the differential incidence of tariff increases across all consumer groups.
- Municipalities should include details of their revenue growth assumptions for the different service charges in their budget narrative. Valuation roll data should be reconciled with that of the billing system to ensure that anticipated revenue is realistic and accurate.

4.4 Setting cost reflective tariffs

- Section 74(2) of the MSA states that tariffs must reflect the costs reasonably associated with rendering the service. Municipalities thus need to set credible budgets which reflects the costs necessary to provide a service efficiently and effectively. As such the National Treasury has developed a tool to set proper tariffs for water, sanitation, electricity and solid waste. Municipalities are encouraged to use the tool in order to improve budgeting and financial sustainability.
- The National Treasury Municipal Costing Guide is available on the link below on the National Treasury website:

  http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08
- The Municipalities should attempt to reduce its technical and non-technical losses as these will reduce the cost of supplying services and increase the volumes sold. In turn this will reduce the tariffs required.

4.5 Electricity Supply and Tariffs

- On 9 March 2020, the National Energy Regulator of South Africa (NERSA) considered Eskom's application for Retail Tariffs and Structure Adjustment (ERTSA). The bulk input tariff applicable to municipalities from 1 July 2020 is 6.9 per cent.

- The National Energy Regulator of South Africa (NERSA) has not yet published their Municipal Benchmark 2020/21.

- Taking the above into consideration municipalities are advised to prepare scenarios for an electricity bulk price increase in 2020/21 of between 7.0 and 15.0 per cent (as per the guidance provided in MFMA Circular 98). **Municipalities should also include a disclaimer in the Budget documentation and Tariff List** which states that the electricity tariffs are still subject to change due to the non-availability of the NERSA Tariff Guidelines for municipalities.

- Municipalities are cautioned that the proposed bulk input tariff was finalised before the High court ruling on Tuesday, 10 March 2020.

- NERSA's upcoming "Municipal Tariff Guidelines Increases, Benchmarks and Proposed Timelines for Municipal Tariff Approval Process for the 2020/21 financial year" publication should be consulted before the tabling of the final budgets.

4.6 Borrowing and refinancing for capital projects

- A municipality may appropriate funding for capital expenditure for a period not exceeding three financial years, provided that a separate appropriation is made for each of those financial years. Municipalities should spend on their capital budgets in accordance with Section 19(1) of the MFMA.

- Before approving capital budgets, the municipal council must consider the projected cost until the project is operational and the future operational costs and revenue of the project.

- Expenditure may be revised downward if there is material under-collection of revenue for the current year in terms of section 28(2) of the MFMA and may similarly appropriate additional revenues for the project if revenues are higher than anticipated, via an adjustments budget process. These appropriations can only be used to revise or accelerate spending programmes already budgeted for and cannot be used for new capital projects, unless provided for in terms of section 28(2) of the MFMA.

- Funds can be shifted between multi-year appropriations as long as it is done in accordance with section 31 of the MFMA.

- A municipality is allowed to re-finance existing long-term debt in accordance with the provisions set out in Section 46(5) of the MFMA. If the re-financing of an existing loan does not comply with these provisions, then the municipality should consider going to the market for a new loan that offers more affordable terms and/or negotiate a payment arrangement with the financial institution until the loan can be repaid as per the original terms.

4.7 Addressing unfunded budgets in local government

A revised strategy to address municipal financial performance failures has been endorsed by the Budget Council and Budget Forum. This strategy is largely aimed at ensuring that municipalities adopt funded budgets. This is in order to avoid financial distress in the long run, which could affect the municipalities ability to fund its strategic goals. It is also essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities who are finding it difficult to table funded and sustainable budgets should contact National or the Western Cape Provincial Treasury for assistance to reprioritise their budgets. The SIME process will advise municipalities on whether their budgets are funded or not. Should the municipality proceed to table an unfunded budget then a strategy should be tabled along with the budget to indicate how the municipality will proceed to make their budget funded over the course of the financial year.

4.8 Municipal Standard Chart of Accounts (mSCOA*)*

Release of Version 6.4.1 of the Chart

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.4.1 was released with MFMA Circular No. 98. Version 6.4.1 of the chart will be effective from 2020/21 and must be used to compile the 2020/21 MTREF. The chart is available on the link below:

http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

Should a municipality not be mSCOA compliant, the Municipality must provide a road map to National and Provincial Treasury indicating how they will become mSCOA compliant. Progress against the road map must be presented at the Benchmark engagements.

4.9 Municipal Budget Day

According to sections 16(2) and 17(3)(d) of the MFMA, the Mayor of a municipality must table the annual budget at a council meeting at least 90 days (i.e. by 31 March 2020) before the start of the budget year.

It is important to note there is no explicit requirement for council to endorse or approve the tabled budget or reviewed/amended IDP tabled by the mayor for public participation. The municipal council only has the legal authority to consider a tabled budget and reviewed/amended IDP after the completion of one or more public participation processes undertaken pursuant to section 22, read with section 23 of the MFMA. Council will only consider for approval "*the product of an inclusive budget preparation and consultative process*" when the proposed annual budget (as amended, if applicable) is placed before council in terms of section 24(1) of the MFMA.

Given that the preparation, consultation, adoption and implementation of a municipality's annual budget is inextricably linked to, and must be substantially aligned to and informed by the contents of that municipality's IDP, it would be procedurally flawed by the mayor to proceed with the tabling of the proposed annual budget (and commence with public participation process required in terms of section 22 of the MFMA) at a time when the annual review and/or revision of the Municipality's IDP has not been completed.

If a municipality has failed to complete the relevant processes applicable to review and revision of the annual budget and IDP in time for the deadline applicable to the tabling of the proposed annual budget (i.e. 31 March), the mayor should submit an application for an extension of the said deadline.

Municipalities are kindly requested to indicate any changes to the confirmed tabling dates as per **Appendix A** with the Provincial Treasury as it is crucial for the budget documentation and the assessment schedule leading up to the SIME engagements. Municipalities are requested to indicate any changes to the confirmed tabling dates to Tania.Bosser@westerncape.gov.za by **23 March 2020**.

In light of the recent developments with the COVID-19 pandemic and the National Address by the President of South Africa on 15 March 2020, the Department of Local Government is aware of the difficulties presented to undertake the IDP and budget public participation process. Consequently, there was a Special MinMay held on 18 March 2020 where public participation engagements formed part of the agenda. The Department of Local Government's Circular C4 of 2020 provides guidance on how public participation should be conducted under the prevailing circumstances.

4.10 Submitting budget documentation and schedules for 2020/21 MTREF

- Section 22 (b)(i) of the MFMA requires that, immediately after an annual budget is tabled in municipal council, it must be submitted to the National Treasury and the relevant provincial treasury.
- If the annual budget is tabled in council on 31 March 2020, the final date of submission of the electronic budget documents and corresponding **mSCOA data strings** is Wednesday, 1 April 2020.
- However, in cases where Council requires amendments to the tabled budget prior to consultation, municipalities should inform the National Treasury and the relevant provincial treasury immediately and submit the required budget documents and corresponding mSCOA data strings within **three working days** after the Council meeting.
- Metropolitan municipalities should also submit the Built Environment Performance Plan (BEPP) to Yasmin.coovadia@treasury.gov.za or if it exceeds 4 MB to Yasmin.coovadia@gmail.com or send to Yasmin Coovadia via Dropbox; any problems experienced in this regard can be addressed with Yasmin.Coovadia@treasury.gov.za. Hardcopies of the BEPP may be sent to Yasmin Coovadia, National Treasury, 3rd Floor, 40 Church Square, Pretoria, 0002 or Private Bag X115, Pretoria, 0001. The BEPP should also be submitted to Provincial Treasury together with the budget documentation.
- The accompanying checklist (see Appendix B) provides an inclusive list of the documentation as required from Provincial Government. Electronic budget related documents need to be provided in PDF format. In addition, the A schedules should be provided in both Microsoft Excel and PDF formats.
- The designated municipal official needs to complete and sign the accompanying checklist (Appendix B) as confirmation that the set of budget, IDP and related documents have been submitted.

4.11 Electronic copy submissions

National Treasury budget related documents and schedule should be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/. Documents should be in PDF format. Each document type should be identified and uploaded separately. National Treasury will issue a full guideline in due course to explain the process and to outline which documents municipalities will be required to upload.

Provincial Treasury electronic documents should be submitted to: MFMA.MFMA@westerncape.gov.za or if too large (exceeds 3 MB) must be submitted via the lift server function (http://lift.pgwc.gov.za/) or One Drive. Instructions for uploading the budget related documents are provided in Appendix C.

Hard copies of the budget related documentation should be submitted to the Provincial Treasury via 24-hour courier to the following address:

For attention: Mr Paul Pienaar
Room 3.50
3rd Floor
7 Wale Street
Cape Town
8001

4.12 Publication of budgets on municipal website

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the Municipality's website. This will aid in promoting public accountability and good governance.

5. CONCLUSION

Municipalities are encouraged to take into account and apply the contents on this budget circular in the 2020/21 planning and budgeting process.

Please direct any queries regarding this circular to: Malcolm Booysen at Malcolm.Booysen@westerncape.gov.za.

J GANTANA
ACTING DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES
DATE: 19 March 2020

Western Cape Government
Provincial Treasury

CONFIRMED 2020 BUDGET TABLING DATES

Municipality	Confirmed date
City of Cape Town	Thursday, 26 March 2020
Matzikama	Tuesday, 31 March 2020
Cederberg	Tuesday, 31 March 2020
Bergrivier	Tuesday, 31 March 2020
Saldanha Bay	Tuesday, 31 March 2020
Swartland	Tuesday, 31 March 2020
West Coast District Municipality	Wednesday, 25 March 2020
Witzenberg	Tuesday, 31 March 2020
Drakenstein	Tuesday, 31 March 2020
Stellenbosch	Wednesday, 30 March 2020
Breede Valley	Tuesday, 24 March 2020
Langeberg	Tuesday, 31 March 2020
Cape Winelands District Municipality	Thursday, 26 March 2020
Theewaterskloof	Thursday, 26 March 2020
Overstrand	Wednesday, 25 March 2020
Cape Agulhas	Tuesday, 31 March 2020
Swellendam	Thursday, 26 March 2020
Overberg District Municipality	Monday, 30 March 2020
Kannaland	Thursday, 26 March 2020
Hessequa	Tuesday, 31 March 2020
Mossel Bay	Tuesday, 31 March 2020
George	Tuesday, 31 March 2020
Oudtshoorn	Tuesday, 31 March 2020
Bitou	Tuesday, 31 March 2020
Knysna	Tuesday, 31 March 2020
Garden Route District Municipality	Monday, 30 March 2020
Laingsburg	Tuesday, 31 March 2020
Prince Albert	Monday, 30 March 2020
Beaufort West	Tuesday, 31 March 2020
Central Karoo District Municipality	Thursday, 26 March 2020

Western Cape Government
Provincial Treasury

APPENDIX B

SUBMISSION CHECKLIST FOR THE 2020/21 TABLED INTEGRATED DEVELOPMENT PLAN, BUDGET AND RELATED DOCUMENTATION

MUNICIPALITY: _____

In completing and signing the Budget and IDP documentation checklist below, the municipality confirms that Schedule A1 **complies with the Municipal Budget and Reporting Regulations (MBRR)** and that the main tables (A1 - A10) and the supporting tables (SA1 - SA38) are completed in ***version 6.4.1*** of Schedule A1 (the Excel formats) and **drawn directly from the municipal financial system**.

The Integrated Development Plan as set out in Section 26, 32 and 34 of the Local Government: Municipal Systems Act, No 32 of 2000 and Regulations (MSA) and Section 21 of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA).

The Spatial Development Framework, Disaster Management Framework and additional documents must be submitted as required in terms of budget circulars.

Budget Documentation	**Yes**	**No**	**N/A**
Council Resolution in terms of the Budget			
Draft Service Delivery and Budget Implementation Plan			
Procurement Plan			
Draft Service Level Standards			
Signed Quality Certificate as prescribed in the MBRR			
Budget Narrative, including budget tables in ***PDF format***			
Municipal Budget Tables: Tables A1 to A10			
Table A1: Budget Summary			
Table A2: Budgeted Financial Performance (revenue and expenditure by standard classification)			
Table A2A: Budgeted Financial Performance (revenue and expenditure by standard classification)			
Table A3: Budgeted Financial Performance (revenue and expenditure by municipal vote)			
Table A3A: Budgeted Financial Performance (revenue and expenditure by municipal vote)			
Table A4: Budgeted Financial Performance (revenue and expenditure)			
Table A5: Budgeted Capital Expenditure (by vote, standard classification & funding source)			
Table A5A: Budgeted Capital Expenditure (by vote, standard classification & funding source)			
Table A6: Budgeted Financial Position			
Table A7: Budgeted Cash Flow			

Budget Documentation	Yes	No	N/A
Table A8: Cash Backed Reserves/Accumulated Surplus Reconciliation			
Table A9: Asset Management			
Table A10: Basic Service Delivery Measurement			
Municipal Budget Supporting Tables: Supporting Tables SA1 to SA38			
SA1: Supporting Detail to Budgeted Financial Performance			
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and department)			
SA3: Supporting Detail to Budgeted Financial Position			
SA4: Reconciliation of IDP Strategic Objectives and Budget (revenue)			
SA5: Reconciliation of IDP Strategic Objectives and Budget (operating expenditure)			
SA6: Reconciliation of IDP Strategic Objectives and Budget (capital expenditure)			
SA7: Measurable Performance Objectives			
SA8: Performance Indicators and Benchmarks			
SA9: Social, Economic and Demographic Statistics and Assumptions			
SA10: Funding Measurement			
SA11: Property Rates Summary			
SA12a: Property Rates by Category (current year)			
SA12b: Property Rates by Category (budget year)			
SA13a: Service Tariffs by Category			
SA13b: Service Tariffs by Category (explanatory)			
SA 14: Household Bills			
SA15: Investment Particulars by Type			
SA16: Investment Particulars by Type			
SA17: Borrowing			
SA18: Transfers and Grant Receipts			
SA19: Expenditure on Transfers and Grant Programme			
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds			
SA21: Transfers and Grants made by the Municipality			
SA22: Summary Councillor and Staff Benefits			
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)			
SA24: Summary of Personnel Numbers			
SA25: Budgeted Monthly Revenue and Expenditure			
SA26: Budgeted Monthly Revenue and Expenditure (municipal vote)			
SA27: Budgeted Monthly Revenue and Expenditure (standard classification)			
SA28: Budgeted Monthly Capital Expenditure (municipal vote)			
SA29: Budgeted Monthly Capital Expenditure (standard classification)			
SA30: Budgeted Monthly Cash Flow			
SA31: Aggregated Entity Budget (where applicable)			
SA32: List of External Mechanisms			
SA33: Contracts having Future Budgetary Implications			
SA34a: Capital Expenditure on New Assets by Asset Class			
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class			
SA34c: Repairs and Maintenance Expenditure by Asset Class			
SA34d: Depreciation by Asset Class			
SA34e: Upgrading of Existing Infrastructure			
SA35: Future Financial Implications of the Capital Budget			
SA36: Detail Capital Budget			
SA37: Projects Delayed from Previous Financial Years			

Budget Documentation	Yes	No	N/A
SA38: Consolidated Detail Operational Projects			
Excel version of all main (A1 - A10) and supporting budget tables (SA1 - SA38)			
Budget Related Policies			
Information on any amendments to budget related policies			
Suite of budget related policies			
IDP and Related Documentation			
Council Resolution in terms of the IDP			
Proposed amendments to the IDP			
Process Plan/Time schedule according to Section 29) of the MSA read in conjunction with Section 21 (b) of the MFMA			
Spatial Development Framework			
Council Resolution in terms of the adoption of the *Spatial Development Framework*			
Applicable Disaster Management Plan			
Council Resolution in terms of the adoption of the *Disaster Management Framework*			
Integrated Waste Management Plan			
Air Quality Management Plan			
Coastal Management Plan *(Coastal Municipalities only)*			
Human Settlement Plan			
Local Economic Development Strategy			
Water Services Development Plan			
Storm Water Master Plan			
Integrated Transport Plan			
Electricity Master Plan			
Infrastructure Growth Plan			
Workplace Skills Plan			
Additional documentation for the metro			
Draft Built Environment Performance Plan (BEPP)			

MUNICIPAL REPRESENTATIVE: _____

Name: _____

Signature: _____

Date: _____

Western Cape Government
Provincial Treasury

The following instructions provide a guide for the upload of budget documentation onto the lift server and OneDrive respectively.

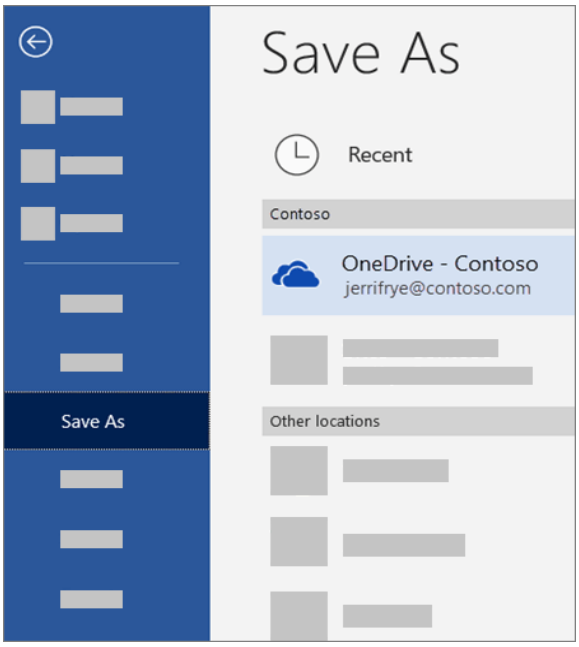
- **How to lift:**

  1. Go to the website: http://lift.pgwc.gov.za/
  2. Type in the email address: MFMA.MFMA@westerncape.gov.za
  3. Browse to and click on the correct file for uploading
  4. Press: Submit

- **How to upload documents to One drive:**

  You can use this option if you have OneDrive linked to your Microsoft Office or Office 365

  1. In any Office document, select File > Save As, choose your OneDrive, and then pick the folder where you want to save the file. Create a new folder (e.g. DC1 2020 Budget Documents) and place all the budget related documents within it.



  2. In order to share the link to that folder Go into OneDrive
  3. Select the file that you want to share and right click on it

4. Choose “share”
5. Ensure that sharing is defaulted to “Anyone with the link can edit”
6. Enter the MFMA email address: MFMA.MFMA@westerncape.gov.za and email addresses of anyone else that you want to share the link with.
7. Click the Share Button

File names in following sequence for budget related documents to be submitted to MFMA:

- Demarcation code
- “ccyy” century and year (eg.2020)
- Name of document submitted (e.g. Draft Budget, draft IDP, draft SDBIP etc.)

  E.g.: DC1 2020 Draft IDP or DC1 2020 MTREF main budget

  E.g.: DC1_A1 Schedule - mSCOA vs 6.4.1

WITZENBERG MUNICIPALITY

INTEGRATED PLANNING AND BUDGETING ASSESSMENT: ANALYSIS OF MUNICIPAL IDP, SDF AND BUDGET

Western Cape Government

APRIL/MAY 2020

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ANNEXURE A

LIST OF ACRONYMS

AQMP	Air Quality Management Plan
BESP	Built Environment Support Programme
CBA	Critical Biodiversity Areas
CBD	Central Business District
CEF	10-Year Capital Expenditure Framework
CMLs	Coastal Management Lines
CMP	Coastal Management Plan
CMP	Coastal Management Programme
COVID-19	Coronavirus disease 2019
CPP	Coastal Private Property
CSIR	Council for Scientific and Industrial Research
D: ELE	Directorate: Environmental Law Enforcement
DCAS	Department of Cultural Affairs and Sport
DDM	District Development Model
DEA&DP	Department of Environmental Affairs and Development Planning
DEFF	Department of Environment, Forestry and Fisheries
DHS/DOHS	Department of Human Settlements
DLG	Department of Local Government
DM	District Municipality
DSP	District Safety Plan
DWA	Department of Water Affairs
ECD	Early Childhood Development
EFZ	Estuary Functional Zone
EIAs	Environmental Impact Assessments
EO	Environmental Officer
EPWP	Expanded Public Works Programme
ESAs	Ecological Support Areas
FBE	Free Basic Electricity
FBS	Free Basic Sanitation
FBS	Free Basic Services
FBW	Free Basic Water
FRP	Financial Recovery Plan
HSP	Human Settlement Plan
ICM Act	Integrated Coastal Management Act

IDP	Integrated Development Plan
IGP	Infrastructure Growth Plan
IIAMP	Integrated Infrastructure Asset Management Plan
IIF	Infrastructure Investment Framework
IPSS	Integrated Performance Support System
IPWIS	Integrated Pollutant and Waste Information System
ISDF	Integrated Strategic Development Framework
ITP	Integrated Transport Plan
IWMP	Integrated Waste Management Plan
IYM	In-year Monitoring
JDA	Joint District Approach
JOC	Joint Operations Centre
kl	Kilolitre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt hour (1000 watt hours)
LED	Local Economic Development
LUPO	Land Use Planning Ordinance
MBRR	Municipal Budget and Reporting Regulations
MDG	Millennium Development Goal
MERO	Municipal Economic Review and Outlook
MFMA	Municipal Finance Management Act
MI	Municipal Infrastructure
MIG	Municipal Infrastructure Grant
MIP	Municipal Infrastructure Plan
MMP	Maintenance Management Plan
MRF	Material Recovery Facility
MSA	Municipal Systems Act
mSCOA	Municipal Standard Chart of Accounts
MTEF	2019 – 2024 Medium Term Expenditure Framework
MTREF	Medium Term Revenue and Expenditure Framework
MVA	Megavolt Amperes (1 Million volt amperes)
MWh	Megawatt hour (1 Million watt hours)
NDHS	National Department of Human Settlements
NEM: AQA	National Environmental Management: Air Quality Act
NEMP	National Estuarine Management Protocol

NRW	Non-revenue Water
NT Database	National Treasury Database
NT LG Database Upload Portal	National Treasury Local Government Database Upload Portal
O&M	Operations and Maintenance
PMS	Performance Management Systems
PRTA	Project Segment Tabled Budget
PSP	2019 – 2024 Provincial Strategic Plan
RMAs	Responsible Management Authorities
RMP	Road Management Plan
S@S	Separation of Waste at Source
SALGA	South African Local Government Association
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SEP-LG	Socio-Economic Profile Local Government
SOP	Standard Operating Procedure
SWMP	Stormwater Management Plan
TABB	Tabled Budget
VIP	Vision Inspired Priority
WC	Water Conservation
WCBSP	Western Cape Biodiversity Spatial Plan
WCG	Western Cape Government
WDF	Waste Disposal Facilities
WDM	Water Demand Management
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Wastewater Treatment Works

SECTION 1: INTRODUCTION

The annual assessment of municipal integrated development plans and budgets presents an opportunity to deepen and strengthen existing partnerships, as well as identify new areas for collaboration to promote the "Integrated Service Delivery' approach. The importance of this assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). Provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates. This report encapsulates comments by the Western Cape Provincial Government on the draft 2020/21 MTREF Budget, 2020/21 proposed amendments to Integrated Development Plan (IDP) and related documentation.

The assessment covers the following key areas:

- Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR) and mSCOA regulations;
- Responsiveness of draft budget, IDP and SDF; and
- Credibility and sustainability of the Budget.

The MBRR A-Schedules, budget documentation, IDP and related documentation submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality. The Provincial Government plans to engage the executives of your Municipality via video conference on 4 May 2020 where the key findings and recommendations of this report will be presented and deliberated upon. The planned engagement will contextualise the Municipality's challenges and responses as taken up in the draft budget, IDP and related strategies and plans.

An overview of the detailed assessment report can be found below to provide the Municipality with a synopsis from each of the main sections of the report.

- **Public Value Creation**

This section seeks to assesses the Municipality's Integrated Development Plan as well as a provides an environmental analysis of the Municipality and how it collectively contributes to achieving maximum public value.

- **Economic Sustainability**

This section examines if the tabled 2020/21 MTREF Budget is responsive from an economic and socio-economic perspective and the Municipality's ability to meet the legitimate expectations of the community for services from its limited resources to effect inclusive growth.

- **Financial Sustainability**

This section examines the financial health position of the Municipality through ratio analysis and assess the sustainability and credibility of the 2020/21 MTREF operating and capital budgets.

1.1 RESPONDING TO THE CORONAVIRUS (COVID-19): CONSIDERATIONS FOR MUNICIPAL PLANNING AND BUDGETING

The COVID-19 virus was recently declared a global pandemic by the World Health Organisation (WHO). On 5 March 2020, South Africa registered its first positive case where after new infections and transmissions spread rapidly across the country. Having considered the magnitude and severity of the virus and the possible future impact thereof on South Africa, the Minister of Cooperative Governance and Traditional Affairs on 15 March 2020 officially declared a national state of disaster as per section 27(1) of the Disaster Management Act, 2002 (Act No. 57 of 2002). As the spread of the virus intensified, President Ramaphosa on 23 March 2020 announced a nationwide 21-day lockdown which would come into effect at midnight, Thursday, 26 March 2020. On 9 April 2020, the President announced the extension of the lockdown to 30 April 2020. Section 27(2) of the Disaster Management Act allows for the development of regulations to, for the duration of the state of disaster, assist, protect and provide relief to the public; protect property; prevent disruptions and/or assist with dealing with the destructive and other effects of the disaster in question. Such regulations were official proclaimed in the Government Gazette on 25 March 2020.

The spread of the virus impacts severely on the municipal budget and planning process insofar it coincides with the tabling of draft annual budgets, draft reviewed IDPs and SDFs in terms of section 16(2) of the MFMA. Given that municipalities were expected to table these documents before council by no later than the end of March 2020, most of the strategic planning priorities and associated budget allocations for the 2020/21 financial year were finalised at the time when the lockdown was announced. Municipalities did as such not have sufficient time to adjust budget allocations to properly reflect their respective strategic responses to the virus.

The purpose of this section is to provide tangible recommendations as to how Witzenberg Municipality can adjust, revise and review their tabled budget to mitigate the effects of the virus, albeit only within their mandated areas of responsibility. Upon receipt of the final budget documentation, the various departments will consider to what extent Witzenberg Municipality took cognisance of below mentioned recommendations.

1.2 PUBLIC VALUE CREATION

1.2.1 Environmental Management and Development Planning

- Directions in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA) and related legislation:

  - In the absence of a national determination, on 26 March 2020 Minister Bredell issued a decision in terms of Section 47C of the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA) in terms of all matters for which Minister Bredell is the Competent Authority, to extend all timeframes in terms of NEMA (excluding matters related to Section 28, 30 and 31 of NEMA) and the EIA Regulations for two months (27 March 2020 to 26 May 2020), but the extension did not apply to actions related to decisions issued after the 21-Day Lockdown period.

  - On 26 March 2020 the Department of Environmental Affairs and Development Planning also issued a Circular (Departmental Circular: *DEA&DP 0003/2020*) regarding Minister Bredell's Section 47C timeframes extension decision as well as communicating a protocol for the administration of Environmental Impact Assessments (EIAs), Atmospheric Emission License (AEL), Waste Management License (WML) and Section 24G applications and related formal enquiries/requests in the Western Cape Province during the COVID-19 Lockdown Period.

  - On 31 March 2020 *Directions issued by the Minister of Forestry, Fisheries and* Environment *in terms of Regulation 10(8) of the Regulations issued in terms of Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002): Measures to address, prevent and combat the Spread of COVID-19* was published in the *Government Gazette* (Notice No. R. 439 published in Government Gazette No. 43190 on 31 March 2020 refers). A copy of the Directions is available at: https://www.gov.za/documents/disaster-management-act-environment-directions-measures-address-prevent-and-combat-spread.

  - As a result of the publication of the abovementioned Directions, Minister Bedell on 1 April 2020 withdrew his decision of 26 March 2020 in terms of Section 47C of NEMA, and also indicated that the abovementioned Directions replaces the Departmental Circular: *DEA&DP 0003/2020* issued on 26 March 2020. As such, only the abovementioned Directions issued by the National Minister of Forestry, Fisheries and Environment apply in the Western Cape Province.

- Municipalities must study the Directions of 31 March 2020 and consider the implications for the Municipality and its processes carefully. The following officials of the Department of Environmental Affairs and Development Planning can be contacted for guidance as referred to **ANNEXURE A** below. Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013) (SPLUMA)

  - Directions or an exemption in terms of SPLUMA have not yet been issued by National Government. If Directions or an exemption is not issued in terms of SPLUMA are not in the near future issued by National Government, Minister Bredell will consider issuing an exemption in terms of Section 60 of the Western Cape Land Use Planning Act, 2014 (Act No. 3 of 2014) (LUPA) which would exempt Municipalities from provisions of LUPA as well as the corresponding provisions of the Municipal Planning By-Laws. For more guidance refer to **Annexure A** below.

- Basic Service provision to Communities as well as De-Densification of certain Informal Settlements

- A number of Regulations, Directions and Guidelines have been issued by National Government (all available at: https://www.gov.za/coronavirus/guidelines) including related to basic service provision to Communities.

- The Department of Environmental Affairs and Development Planning is working with the Department of Local Government and others to provide assistance to Municipalities in terms of basis service provisions. In line with the Regulation R399 Disaster Management Act (57/2002): Directions made in terms of Section 27(2) by the Minister of Cooperative Governance and Traditional Affairs of 25 March 2020, Waste Management has been declared as an essential service, and is crucial to the management and containment of the spread of the virus, therefore a concern has been raised that waste from the households of infected or quarantined patients or those in self-isolation could pose a considerable risk if not managed appropriately. After consultation with the Department of Environment, Forestry and Fisheries (DEFF), the Provincial Department of Environmental Affairs and Development Planning (DEA&DP) proposed that the certain important measures be put in place by municipalities and households. On 27 March 2020 a *Protocol on Managing COVID-19 General Waste at Households* were issued to all municipalities in the Western Cape to guide municipalities on how to manage COVID-19 infectious waste at households. On 2 April 2020, DEA&DP Circular 0006/2020 was issued to municipalities and the Provincial and District/Metro Disaster Management Centres w.r.t. the Amendment to this Protocol, as a result of operational challenges expressed with household-level data not being made available due to patient confidentiality and ethical implications and the stigmatisation of patients under quarantine or self-isolation in households; as such municipalities would rather concentrate on hotspots. Subsequent to the protocol being issued an intergovernmental COVID-19 Waste Management Workstreams were established with Waste Managers and Environmental Health Practitioners, respectively that would coordinate, align operations and share information.

- The Department of Environmental Affairs and Development Planning is also working with the Western Cape Department of Human Settlements, and other partners, in terms of possible de-densification of certain informal settlements as part of the COVID-19 Disaster Response interventions. For more information regarding proposed de-densification of informal settlements the Department of Human Settlements, as the coordinating Department, should be approached.

- In terms of any environmental and planning regulatory requirements during the COVID-19 Disaster the abovementioned officials of the Department of Environmental Affairs and Development Planning can be contacted for guidance as per **Annexure A** below.

1.3 ECONOMIC SUSTAINABILITY

1.3.1 Budget Responsiveness

- The lockdown comes amidst already dire macro-economic conditions which has seen South Africa slump into a technical recession while consumer and business confidence dwindles. Towards the end of March 2020, Moody's classified South Africa's sovereign credit rating to sub-investment grade. The country now has a sub-investment grade credit classification from all three major international rating agencies. The lockdown will have a catastrophic effect on industry as non-essential business are forced to shut down completely resulting in a drastic reduction in overall economic output, productivity and substantial job losses. The impact will be particularly pronounced in labour-intensive industries such as construction, manufacturing and mining.

- Heightened levels of unemployment and layoffs impact heavily on household income and as the virus spreads and the lockdown continues, households will become more strained. More affluent households will probably have sufficient disposable income and savings to absorb the impact of a prolonged lockdown. In low-income households, the impact will be more severe, also negatively influencing the ability to afford trading services. Many of these households will subsequently be classified as indigent which will require municipalities to provide free basic services. *It is therefore envisaged that municipalities should increase their allocations towards the provision of free basic services (budget schedule A10) at a rate substantially higher than the normal inflationary adjustments.*

- The lockdown and closure of industries will also potentially influence short-term migratory patterns as workers travel back to their families. The subsequent population changes will result in changed consumption patterns of trading services. Data on conventional household sizes might therefore be inaccurate and municipalities are urged to use such data with caution as part of their planning processes.

- To stop the spread of transmissions, authorities are proactively encouraging good hygiene practices which includes frequent washing of hands and deep cleaning. This will drive up household water and sanitation consumption which could prove problematic in especially rural areas of the Western Cape where many local communities are still battling the ongoing drought.

- The lockdown is also expected to have far reaching implications from an educational perspective. As economic hardship intensifies, many children might end up not returning to school when lockdown measures subsides to assist their families to generate income. This will in turn have far reaching implications for future earning potential which ensures the continuation of the poverty cycle. Unlike their more affluent counterparts, students in vulnerable communities do not have sufficient tools to facilitate remote learning. Municipalities can assist in this regard by looking into ways to improve broadband connectivity throughout low income communities, including informal settlements, which would allow students to access study material from within their dwellings.

- The physiological impact of the lockdown on informal settlements should not be underestimated. Communities must also guard against the spread of misinformation which can further increase stress and anxiety. Municipalities have an active role to play in this regard, by collating and distributing reliable and verified information.

- Crowded living conditions for prolonged periods of time will inevitably force inhabitants outside of the dwelling, breaking the prescripts of the lockdown. Communities can arguable also expect an increase in illicit activities relating to the movement of non-essential goods. Although the South African Police Service (SAPS) and SA Army are mostly responsible to ensure that communities abide by the lockdown regulations, an increase in localised criminal activities will strain municipal law enforcement resources.

Considerations for responsiveness allocations:

- **Basic service delivery:** Local government remains the coalface of basic service delivery. Access to trading services, especially in poor communities must be prioritised. Dedicated focus on water and sanitation to improve overall hygiene i.e. access to potable water in the form of water storage devices, installation of temporary communal taps and ablution facilities. Lockdown is expected to result in notable increase in residential household consumption which will require above inflationary operational increases, in particular for the provision of water and sanitation. Municipalities must also pre-empt a drastic reduction in commercial consumption which will negatively influence the revenue base.

- **Human settlements:** Allocations towards human settlements must be prioritised to ensure improved service delivery to the most vulnerable citizens living in informal settlements. Allocations to the housing function must be directed towards the provision of basic services, the facilitation of logistical arrangements to deliver relief food, grant collections and where possible, de-densification efforts. Thought should also be given to facilitate home deliveries of essential goods and services to restrict unnecessary movement.

- **Food Relief:** The Western Cape Government is currently busy finalising an extensive food security initiative which will provide much needed relief to poor households (including child feeding schemes). Details of this plan and the associated financial and non-financial support interventions will shortly be communicated to all district and local municipal role-players. Municipalities are urged to align their relief allocations with the commitments of the WCG plan.

- **Safety and Security:** Restricted movement brought on by the lockdown will arguably result in a decrease across all primary criminal offence categories, but does render commercial assets vulnerable. The ban on the sale of non-essential goods will also potentially give rise to illicit activities, while the lockdown will be difficult to enforce in densely populated areas. These circumstances will necessitate increased budget allocations towards the safety and security function to strengthen municipal law enforcement capacity**.**

1.3.2 Supply Chain Management

On the 30 March 2020, the Minister of Co-operative Governance and Traditional Affairs issued out directions in terms of Section 27 (2) of the Disaster Management Act to address the combat, prevent and combat the spread of COVID-19 in South Africa. This directive brings to the attention of municipalities and municipal entities to take cognisance of the following requirements as it relates to emergency procurement:

(i) Undertake emergency procurement within the Disaster Management Act, 2020 and the transversal contracts issued by the National Treasury;

(ii) Adhere to all the applicable National Treasury Regulations and MFMA Circular 100;

(iii) Decision-making that would have been approved by the Municipal Councils, will be made by the Municipal Manager on recommendation by the Chief Financial Officer with the concurrence of the Mayor or Executive Mayor;

(iv) Decisions taken must be taken in respect of an emergency nature and be reported to the first council meeting after the lockdown period; and

(v) Report all procurement undertaken during the disaster period to the first council meeting after the period has lapsed.

In view of the above, municipalities are urged to use the following procurement methods:

- Provide emergency procurement in terms of SCM Regulation 36

- Provision in terms of Regulation 32 as it relates to national transversal contracts e.g. MFMA Circular No. 100 of 2019/20

- Tapping into the provincial disaster procurement systems as provided for by Department of Health and Department of Transport and Public Works

Municipalities must also take cognisance of the following reporting requirements as it relates to the above procurement processes:

(i) Record the reasons for any deviations undertaken in terms of regulation 36(1)(a) and report such reasons to the next municipal council meeting and record same as a note in the Municipality's annual financial statements as soon as is reasonably possible post lockdown;

(ii) Reporting to Council in terms of SCM Regulation 6, on any procurement processes followed in terms of SCM Regulation 32 at a convenient time to be arrange as soon as it is reasonably practical and safe to do so.

Provincial Treasury will continue to guide and support municipalities regarding emergency procurement activities coupled to COVID-19. Further to this, the Provincial Treasury will be assisting municipalities post COVID-19 with systems and instruments to expedite the procurement planning process, with the aim to align municipal adjustment budgets and IDP deliverables.

1.4 FINANCIAL SUSTAINABILITY

Reprioritisation of expenditure will have to be carefully planned and managed. From a reporting perspective, the Municipality may have revisit the budget for interest costs, for payment holidays from finance institutions, can expect a sharper incline in unpaid debt due to the evident recession and the sharp increase in unemployment, and management may have to urgently revisit the indigent policy. This will necessitate the revisiting of the credit control policy.

The Municipality is further encouraged to consider the re-assessment of its going concern ability considering the impact of the expected sharp increase in non-paying ratepayers. A further consideration is to reflect on the COVID-19 related costs for goods and services which will be priced at a premium as there are indications of global shortages.

Much of the efforts of the Municipality will be geared towards humanitarian support. Donations received must be considered and appropriately planned for. Lastly, as many of the expenses will have to be reconsidered, a re-assessment of the bad debt provision must be performed, and a relook at the repairs and maintenance budgets, and consequently, the impairment of assets as these expenditures are normally considered once all other critical expenses are considered.

It is advisable to follow a conservative approach when projecting revenue and eliminate any waste and unnecessary expenditure for the 2020/21 MTREF, to mitigate the financial impact of COVID-19 and optimise savings that can in turn be applied for disaster relief.

SECTION 2: PUBLIC VALUE CREATION

2.1 INTEGRATED PLANNING

2.1.1 Introduction

An Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office.

Each municipal council must annually review and may amend the IDP of the Municipality. Should the review process determine that an amendment is required, a municipality should follow the process as stipulated in Regulation 3 of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

The 2020/21 IDP Review of the Witzenberg Municipality (the Municipality) is the third review of the 2017-2022 IDP. The 2020/21 IDP Review approach took into consideration an assessment of the performance measurements of the Municipality and the extent that changing circumstances so demand.

2.2 INTEGRATED PLANNING ANALYSIS

2.2.1 IDP Overview

The 2020/21 IDP Review maintains council's strategic direction by outlining its vision, mission, strategic objectives and its alignment to national and provincial priorities. This embodies the strategic thrust of the Municipality to deliver basic services; create an enabling environment for economic growth and decent employment; and improve the living conditions of all households.

The Municipality consists mainly of rural towns such as Ceres, Tulbagh, Wolseley and others, where the agricultural sector contributed the most jobs and as such, the Municipality will need to progressively continue to explore mechanisms such as agri-processing to further strengthen its economy and create jobs. With a population of 142 466 in 2019, the Municipality is the second lowest populated area in the Cape Winelands District. This total is expected to grow to 153 987 by 2023, equating to an average annual growth rate of 2.0 per cent which will significantly increase the Municipality's dependency ratio of the current 42.2 per cent towards 2023.

The 2020/21 IDP Review indicates that the Municipality provides all households with access to services such as water, sanitation, electricity and waste removal. The Municipality also provides access to free basic services to the indigent of the Municipality however, indicates that it only provides basic services to areas within its urban edge excluding the rural areas and farm residents.

Farm owners however, provide sanitation and water services in some areas, while ESKOM provides electricity provision to most farm communities. The 2020/21 IDP Review reflects that the general standard of basic service levels in rural areas are above the norm as indicated by the Farmworker Survey Report completed in March 2015 by the Western Cape Department of Agriculture. The 2020/21 IDP Review reflects that the Op-die-Berg wastewater treatment plant serves approximately 75 per cent of consumers while the rest are serviced with septic tanks.

The 2020/21 IDP Review includes key municipal wide needs and challenges per ward emanating from the public consultation process and lists the top priorities identified and progress with regard to each. The 2020/21 IDP Review is aligned with the registered needs of the 12 wards and seeks to achieve the strategic objectives set by council in its 2017 - 2022 IDP. The top four service delivery

priorities per ward/town ranges inter alia from sewer network needs to be improved, provision of housing, safety, to animal control in all areas.

One of the biggest challenges the Municipality face relates to growing informality and the demand for expansion of informal settlements as well as the rising number of households living in makeshift shelters in backyards.

2.2.2 IDP process

In terms of Sections 28 and 29 of the MSA, a municipality must follow a prescribed process when reviewing and/or amending an IDP. Furthermore, key activities and deadlines for the process must be set out in a Time Schedule adopted in terms of Section 21 of the Municipal Finance Management Act 56 of 2003 (MFMA).

In line with Section 28 of the MSA, the Municipality's 2020/21 IDP Review was guided by a Process Plan adopted by Council on 16 July 2016 (Item 8.1.3) detailing the mechanisms to be utilised for stakeholder engagement and subsequently the MFMA Time Schedule (Ref: 02/02/2) adopted in August 2019 guides the drafting, review and adoption of the 2020/21 IDP Review.

The MFMA Time Schedule further outlines the mechanisms, time lines and targeted audiences and areas established to ensure the community and all other stakeholders are adequately involved in the Municipality's strategic planning process.

The Municipality conducted public participation sessions through engagements with ward committees in between 4 October and 26 September 2019 as part of the IDP consultation phase. Community Imbizos and consultations, forum and sector engagements as well as ward committees' meetings are scheduled for 14 – 21 April 2020 as a final round of public participation before the adoption of the 2020/21 IDP Review.

Placement of the approved 2020/21 IDP Review and related documents on the municipal website and submission of these documents to the MEC for Local Government is also noted in the Municipality's 2020/21 MFMA Time Schedules. To conclude the IDP process, the 2020/21 MFMA Time Schedule indicates notice will be given to the public of the adopted 2020/21 IDP Review within 14 days of the adoption of the plan.

2.2.3 IDP notable changes

The 2020/21 IDP Review indicates changes to the Situational Analysis where some key statistics on population, education, health and free basic services had been updated from pages 20 - 46 to reflect the existing level of development. The economic outlook of the Municipality was updated with the current Municipal Economic Review Outlook 2019sourced from the most recent Quantec Research.

In terms of the spatial analysis section, the 2020/21 IDP Review provides a background and explains the process followed with the review and amendment of the Spatial Development Framework (SDF). As this process is currently work in progress and projections are that the SDF amendments will be approved in April 2020, most of the current spatial information has been removed.

Subsequently, the financial viability information from a spatial perspective has also been removed on pages 60 - 61 and will be realigned and reintegrated should the 2020/21 IDP Review be amended and approved with the SDF amendment in April 2020. While it is clear that Key Performance Areas remain the same on pages 81 - 129, the 2020/21 IDP Review still reflects the 2019/20 financial year instead of 2020/21.

2.2.4 Key findings and recommendations

- The adopted 2020/21 IDP Review should be updated to align with the newly adopted provincial Vision Inspired Priorities and the seven 2014 - 2024 Medium Term Strategic Framework priorities.
- The adopted 2020/21 IDP Review could note the Joint District Approach that has been endorsed by the Western Cape Government and municipalities as the vehicle through which joint planning, budgeting and implementation are being facilitated.

2.3 ENVIRONMENTAL AND PLANNING ANALYSIS

2.3.1 Compliance, Performance, Implementation and Changing Circumstances:

Spatial Planning

The budget shows that the Municipality continues to systematically provide for the installation of engineering services in Vredebes and Nduli on an annual basis and remains in line with the adopted SDF. The Municipality is some making progress with respect to the implementation of some of the SPLUMA principles. The Vredebes development gives effect to the principle of Spatial Justice, bridging the gap between the fragmented settlements of Nduli and Ceres. This was demonstrated in the IDP and budget in which allocations had been made for the development of the Vredebes and the incremental upgrading of the Nduli informal settlement. Also, approximately R17 million is budgeted per year in the 20/21 and 21/22 financial years for the construction of a new storage dam in Tulbagh to secure water supply and demonstrates progress with respect to the implementation of the principle of Efficiency.

The Department has provided detailed comment on the newly drafted SDF and Capital Expenditure Framework (CEF). Of concern, is that the draft CEF does not shed light on the longer-term financial position of the Municipality and how the proposals contained in the draft SDF will impact on the Municipality's financial sustainability.

Biodiversity

The Municipality has assigned the correct spatial planning categories (Core 1 and/or the highest conservation priority) to Protected Areas and Critical Biodiversity Areas. This has been done in the form of a table (table 4 on page 53), which also provides an indication of activities which are supported and not supported. The IDP makes reference to CBA maps although there is some confusion between the 2010 fine-scale plans and the 2017 Western Cape Biodiversity Spatial Plan (WCBSP). The IDP acknowledges that municipal land is vastly infested by aliens and have appointed consultants to draw up the "Witzenberg Municipality Invasive Alien Species Monitoring and Control Plan". The IDP includes consideration of climate change adaptation and disaster risk mitigation, but the link to the WCBSP is not explicit.

Climate Change

Although there are aspects of the climate change response strategy that are legislated for municipalities, such as climate change adaptation as part of the Disaster Management Amendment Act and the Spatial Planning and Land Use Management Act, amongst others, there is no stand-alone climate change legislation. However, a Climate Change Bill is currently under development.

Witzenberg does not have a climate change response strategy/framework, but has included information from the Climate Change Advisory that was sent to all municipalities in 2016. From a mitigation perspective, there is a strong focus on energy and waste management responses, with budget and capacity allocated to these programmes. From an adaptation perspective, the focus on water, given the recent drought experienced is understandable. Given the probability of more

drought events into the future, there is a need for the Municipality to strongly consider short and long-term water security measures.

Waste Management

(a) Waste Management Planning

The Municipality has designated a Waste Management Officer (WMO), but their IWMP dated December 2010 is currently under review. Waste issues are integrated in the IDP, 3rd Review (2020 - 2021).

(b) Waste Information Management

The Municipality has 2 waste activities registered on IPWIS and reporting is done for:

- Tulbagh Landfill
- Prince Alfred Hamlet Landfill

The rating for reports submitted online on IPWIS during this period is 44 per cent, which is non-compliant. Although the Municipality only reported 1 202 tonnes of waste diverted during this period, their diversion rate is quite high, and this may be attributed to the missing data on waste disposal. As for most months during this period, no figures were recorded for waste disposal due to non-reporting. The percentage diversion is 20,48 per cent.

(c) Waste Minimisation & Policy Development

According to the State of Waste 2018 report the Witzenberg Municipality has a by-law published in 2005, but it`s not aligned to the National Environmental Management: Waste Act of 2008. The IWMP states what is needed to achieve waste minimisation and are incorporated into the IWMP.

Waste minimisation interventions are limited to a piloted separation-at-source project with 100 households. This project includes the separation of organics. The programme is run by an NGO. The Municipality raise awareness, by using pamphlets, media, school campaigns, and an events calendar.

(d) Waste Management Licensing

The Ceres WDF is closed for disposal and a transfer station is planned for the location. Wolseley is not operational any longer. Tulbagh WDF is the main receiver of household general waste, but its WML is being reviewed, reducing the amount of waste being disposed there.

The Op-Die-Berg WDF is now receiving some waste diverted from Tulbagh WDF. Prince Alfred Hamlet WDF, which should only receive building rubble and garden waste, is receiving a little general waste due to contamination of garden and building rubble skips coming from the community. Prince Alfred Hamlet WDF also experiences regular burning of waste by illegal waste pickers as access control is ineffective at this WDF.

Only internal compliance audits for Tulbagh were received, and only external compliance audits for Tulbagh and Op-Die-Berg were received.

Air quality

In terms of Section 14(3) and Section 15(2) of the National Environmental Management: Air Quality Act (NEM: AQA), a Municipality must designate an Air Quality Officer and adopt an Air Quality Management Plan (AQMP) within its jurisdiction. To ensure that a budget is allocated for air quality management, each municipality must include in its Integrated Development Plan (IDP), an AQMP.

The Witzenberg Municipality has designated an Air Quality Officer and has adopted an AQMP, as per the NEM: AQA. However, the Municipality must allocate funding to implement the AQMP, particularly in terms of monitoring ambient air quality to manage potential air pollution that may result from increased urbanisation.

2.3.2 Strategic Support/Programmes Initiatives and Projects

Spatial Planning

As a Municipality falling within the Cape Winelands District Municipality, Witzenberg Municipality receives strategic support through the Cape Winelands Joint District Approach. Through the JDA the District and Local Municipalities have prioritised the need for assistance with the development of a District Urbanisation Strategy and for assistance on finding ways to make the District and Local municipalities more financially sustainable. This will be particularly useful when the Municipality's CEF is revisited.

Biodiversity

In terms of uptake of biodiversity considerations, Witzenberg Municipality's SDF and IDP are amongst the best examples. The IDP, when compared to other IDPs, has quite a strong focus on alien clearing and environmental management. Witzenberg does have a disaster management plan, which is described in the IDP.

The IDP and SDF recognises the need to manage alien species, particularly in watercourses and the catchment areas for the purpose of increasing water production.

The SDF contains a development checklist, which includes the consideration of CBAs and ESAs when determining if a development proposal is acceptable. Table 6 in the SDF also provides detailed guidelines for specific activities (these guidelines appear to have been influenced by the Western Cape Rural Land Use Planning Guidelines).

One of the strategic focus areas in the SDF policy framework has been titled "Nature" and includes spatial implications which include protection and connection of core areas, prohibition of core areas and the promotion or use of biodiversity offsets where biodiversity loss cannot be avoided. A Non-spatial implication includes providing support for stewardship and LandCare programmes. The Municipality also currently runs an environmental education project ("Green Fingers").

Climate Change

The Climate Change Directorate is currently waiting for clarity on the requirements for municipalities of the Climate Change Act, once promulgated. This information will then be shared with municipalities and a Climate Change Municipal Support Programme will be re-established.

There is also a need to ensure that the latest climate science is accessible to municipalities in a form that can be used. This is something that the Climate Change Directorate will investigate to determine where to access the information and how to share it with the municipalities.

Waste Management:

(a) Waste Management Planning

The DEA&DP will host a two-day Integrated Waste Management Workshop in the 2nd quarter of 2020/21, which will cover various waste-related topics of interest to the municipalities. In the 2020/21 financial year, the DEA&DP will develop a Status Quo on Sewage Sludge and a Status Quo on current Municipal Transport and Collection of Waste. Further support can be provided on request from municipalities for Waste Characterisation training and studies. The DEA&DP has finalised the development of a Household Hazardous Waste Guideline and Minimum Requirements for the Appointment of Waste Managers to assist with the recruitment of appropriately skilled waste managers. The DEA&DP is also developing an annual reporting template for municipalities to report on the implementation of their IWMPs as per the NEM: WA requirements.

(b) Waste Information Management

A training session was conducted with the Cape Winelands District Municipalities on 12 September 2019. Three (3) officials from Witzenberg Municipality were in attendance. The training material covered the Waste Calculator, WIS Regulations and online IPWIS reporting. For the 2020/21 financial year, one (1) IPWIS workshop will be conducted focusing on IPWIS waste reporting and addressing IPWIS Frequently Asked Questions (FAQs). The Department will inform selected municipalities' in writing 30 days prior, regarding the IPWIS waste data audits to be conducted with selected facilities.

(c) Waste Minimisation & Policy Development

The Department currently has an Informal Settlement project to promote integrated waste management within informal areas. This will further be presented to all waste managers for implementation in the 2020/21 financial year. Further to this, engagements on the Model Waste By-law will happen within various regions across the Western Cape.

(d) Waste Management Licensing

The Department is in the process of assisting Municipalities through an Illegal Dumping Task Team to identify reasons for and solutions to illegal dumping. Departmental, internal and external audits are used to identify non-compliances, and action plans to address the non-compliances are requested by the Department, but only the internal audit report for Tulbagh dated 27 August 2019 has been received.

Tulbagh is the main receiver of household general waste, but disposal is limited due to their court application to extend the maximum height to 10m above ground level. The Tulbagh WML is being reviewed. Some end tipping is of concern, but the Municipality has recently improved cover, slopes and operations in general and the Department is monitoring progress.

Air Quality

The Directorate Air Quality Management (D: AQM) provides a supportive and oversight role to Municipalities with respect to air quality management. The D: AQM co-ordinates quarterly Provincial Air Quality Officers' Forums, inclusive of Air Quality Management Plan Working Groups Meetings. The Forums serve as a platform for Air Quality Officers to develop a common understanding and approach to managing air quality in the Province, particularly as it relates to air pollution and air quality regulatory processes, inclusive of noise, dust and offensive odour management in their jurisdictional areas. All Municipal Air Quality Officers are required to implement the mandates of air quality management, as assigned by the NEM: AQA, and hence are required to attend and participate in the Forums.

Capacity building on air quality management also takes place at the quarterly Provincial Air Quality Officers' Forums; however, it is imperative that Municipalities make funding available to ensure that officials are capacitated via formal air quality management training programmes.

Aside from the Forums, interactions between the D: AQM and Municipal Air Quality Officers takes place on a regular basis, particularly in terms of addressing air pollution complaints and providing advice on air quality regulatory services in their Municipalities. In terms of the NEM: AQA, measures in respect of dust, noise and offensive odour is a Local Government responsibility. It is therefore imperative that Municipalities develop and adopt Air Quality Management By-laws to ensure air quality compliance measures and intervention strategies in their areas. It is therefore recommended that the Witzenberg Municipality develops and adopts a By-law to ensure compliance to air quality management.

The D: AQM also regulatory engages Municipalities where the Department has located an Ambient Air Quality Monitoring Station. Ambient air quality is currently not monitored in Witzenberg Municipality. The Municipality is encouraged to allocate budget to monitor ambient air quality in its jurisdiction. Noting the current economic constraints, the Municipality may opt to measure key criteria pollutants via passive sampling or low-cost air quality sensors, as these are more cost-effective than fully-equipped continuous ambient air quality monitoring stations. The D: AQM can be called upon to advise the Municipality on the use of the more cost-effective approaches to monitor ambient air quality in their jurisdiction.

2.3.3 Key Findings and Recommendations

Based on the narratives above, it is recommended that the following adjustments or amendments be considered and some may require the SDBIP to be updated:

Spatial Planning

As was stated in the recent comments from our Department to Witzenberg Municipality on the Draft Spatial Development Framework, the Department is of the view that the Draft does not meet all the legislative requirements. We acknowledge that meeting all these requirements is an incremental process, but it is hoped that Witzenberg Municipality will assess what can be added to the current draft prior to the approval of the SDF, to meet the outstanding legislative requirements.

Biodiversity

Open space corridors and areas which will be managed for conservation must be clearly indicated on the SDF for each town. They need to be labelled differently from the CBA and ESA layers which are the informant behind prioritising which areas need to be conserved. Use the 2017 WCBSP as main biodiversity reference in the IDP and remove reference to the 2010 biodiversity fine-scale plans. The IDP refers to managing two nature reserves and "seven critical biodiversity areas". This is perhaps needs to be reworded if what they mean is that they own seven portions of land which have been determined as Critical Biodiversity Area.

Climate Change

As stated above, there is currently no requirement on municipalities to develop a specific climate change plan or strategy for the Municipality, however, there is a need for climate change considerations to be mainstreamed into sector plans. Although the Municipality has identified some important sectors in the response to climate change, it is evident from the document that there is a need to understand the specific risks and opportunities that climate change will hold for the Witzenberg municipality moving forward.

Waste Management

(a) Waste Management Planning

The Municipality needs to submit their 3rd generation IWMP to the DEA&DP once completed. They also need to submit their annual report as well as the Council Resolution for the adoption and approval of the IWMP once assessed by the DEA&DP and approved by the Council.

(b) Waste Information Management

All municipalities must submit data verification sources e.g. the Waste Calculator Reports, Service Provider Reports or Weighbridge reports to the Department by 7th of each month for the previous month. All operational waste management facilities need to register on IPWIS and report their waste types and quantities online in accordance with Annexure 1 of the Waste Information System regulations. IPWIS online waste reports need to be completed from January 2014 to date. Municipal Waste Facilities should request their service providers (recyclers) to register on IPWIS. This should be done to ensure that Municipalities are able to report on waste diverted from landfill and to provide an indication where waste is diverted to. Drop off facilities must be registered as a recycling/recovery activity on IPWIS. Consistency in reporting of all waste streams should be strived for.

(c) Waste Minimisation & Policy Development

It is recommended that Witzenberg Municipality adopts the Departments' Model Integrated Waste Management By-Law or adopts clauses thereof to ensure that their by-law is aligned, or as a draft for their public participation process or a guide to their bylaw development process.

To enhance waste minimisation initiatives and especially the Organic Waste ban implemented by the Department, it is recommended that the Witzenberg Municipality focusses on projects that divert as much organic waste from landfill. In addition to this, the Municipality is requested to complete an organic waste diversion plan for the Department to review.

Furthermore, greater awareness campaigns could be conducted within the townships and lower income areas, as well as at targeted groups such as industry and other households, and targeted campaigns should be initiated to boost S@S participation rates or anti-litter and illegal dumping challenges within the Municipality. Where possible, existing recyclers should be used to support and boost local economic development.

(d) Waste Management Licensing

WDFs must operate in accordance with their licence/permit conditions. Proper decommissioning of the relevant facilities must be initiated promptly, or they will remain an environmental risk indefinitely. Sufficient provisions for the public to dispose of hazardous waste must be made.

Only the internal audit report for Tulbagh dated 27 August 2019 has been received. The Municipality is encouraged to state in their response to this Departmental audit what the limiting factors are within the Municipality which may be the cause of such non-compliance with suggestions on how the Department can assist the Municipality to improve compliance.

Air Quality

A budget allocation to implement the Witzenberg Municipality's AQMP is required to be secured in its IDP to ensure that:

- Ambient air quality (passive or continuous monitoring of air pollutants via either a fully-equipped ambient air quality monitoring station or low-cost air quality sensors) is monitored;
- Air Quality Officers are trained in air quality management; and
- Air quality management intervention strategies are implement in its jurisdiction.

The implementation of the Witzenberg Municipality's AQMP must also be measurable so that its performance and achievements can be assessed and reviewed after five (5) years, as required by the 2017 National Framework for Air Quality Management in the Republic of South Africa (DEFF, 2018).

SECTION 3: ECONOMIC SUSTAINABILITY

3.1 INTRODUCTION

This section examines to what extent the tabled 2020/21 MTREF Budget is responsive from an economic and socio-economic perspective and the Municipality's ability to meet the legitimate expectations of the community for services from its limited resources to contribute to economic sustainability and maximising benefits for its residents.

Key socio-economic indicators are presented to provide the context from which responsiveness of the budget is assessed. Following, an overview of budget allocations to strategic objectives exercise is conducted to understand the alignment of the tabled budget to the priorities identified in its Integrated Development Plan. Provincial investment for the 2020/21 MTREF is analysed to outline overall expenditure by the province in the municipal area. Furthermore, examining the joint investments in infrastructure by the province and the Municipality is analysed to understand the extent to which infrastructure allocations are enabler of economic growth in the municipal area.

3.2 SOCIO-ECONOMIC CONTEXT AND IMPLICATIONS

Table 1 Socio Economic Overview

Key Socio-Economic Indicators	NDP Goals	Local Context	Implications
Demographics	0.5% - 1% per annum by 2030 (Nationally)	2.0% per annum (average annual growth rate 2019-2023) (SEP-LG 2019)	Rapid urbanisation into the municipal area contributes to capacity issues as it places continued strain in municipal resources and has an impact on its ability to deliver services to its citizens.
Unemployment	14% by 2020	5.8% (2017) (SEP-LG 2019)	Unemployment levels are growing nationally but is somewhat stable in the municipal area. This has a direct impact on household income and the ability to afford basic services. Forces more households to register as indigents households and qualify for the provision of free basic services which further strains municipal resources.
Education	A learner retention ratio of 90 per cent	Learner retention ratio – 62.5% (SEP-LG 2019)	Lower learner retention ratios contribute to lower levels of education which affects future earning potential of youth as they could be under-skilled, struggle to find employment and contribute financially to society.
Health	Maternal mortality to fall from 500 to 100 per 100 000 live births	Maternal Mortality was 68 per 100 000 live births in 2018/19 (SEP-LG 2019)	Maternal mortality rate is below the NDP target. A healthy population is necessary to produce a strong and resilient workforce as well as to care for the needs of and protect the family structure.
Poverty	For zero households to be below the poverty line	R15 942 average monthly household income (2017) (MERO 2019)	Average monthly household income below the district average. Income inequality in the municipal area is apparent, a high number of households earning below the poverty line translates into greater reliance on social support structures.

Key Socio-Economic Indicators	NDP Goals	Local Context	Implications
Safety and Security	For all citizens to feel safe and free of the fear of crime	45 murders per 100 000 people (SEP-LG 2019)	Crime hampers growth, discourages investment, negates local capital accumulation and has a negative impact on the economy.
GDP Growth	5.4 per cent growth per annum	1.6% real GDP growth rate (2018e) (MERO, 2019)	Slow economic growth as a result of low business confidence, political uncertainty, high unemployment rates, amongst other factors has an effect on economic growth. The economy needs to at least keep pace with population growth in order for per capita income levels to improve. Low GDP growth affects the ability of consumers to pay for services and the financial sustainability of the Municipality.

Comments:

Given the onset of COVID-19 in March 2020 and the potential devastating effects that an outbreak and spread of the disease could have on the socio-economic environment, various possible impacts should be considered. These implications are discussed further in Section 1 of this report.

3.3 KEY BUDGET PRIORITIES IN TERMS OF IDP STRATEGIC OBJECTIVES

The 2020/21 MTREF budget breakdown in terms of the strategic objectives is indicated in the table below. Witzenberg Municipality budgeted for a total operating expenditure budget of R713.47 million and a total capital budget of R88.76 million in the 2020/21 financial year.

Table 2 Strategic Objectives for the 2020/21 Medium Term Revenue & Expenditure Framework

Strategic Objective	2020/21 Medium Term Revenue & Expenditure Framework OPEX				2020/21 Medium Term Revenue & Expenditure Framework CAPEX			
R thousand	Budget Year 2020/21	Budget Year 2021/22	Budget Year 2022/23	Average Annual Growth	Budget Year 2020/21	Budget Year 2021/22	Budget Year 2022/23	Average Annual Growth
Essential Services	436 480	472 345	517 707	8.9%	86 194	134 058	32 011	-39.1%
Governance	155 213	161 585	171 897	5.2%	1 050	–	600	-24.4%
Communal Services	113 747	119 071	126 465	5.4%	1 520	137	5 729	94.2%
Socio-Economic Support Services	8 026	8 602	40 249	123.9%	–	–	–	0.0%
Total Expenditure	**713 466**	**761 602**	**856 317**	9.6%	**88 764**	**134 196**	**38 340**	**-34.3%**

Source: Witzenberg Municipality, A-Schedules 2020/21

Comments:

- Witzenberg Municipality indicated in its budget report that its Integrated Development Plan needs to align with National and Provincial strategies to ensure optimal impact from the combined efforts of the different spheres of government. The Municipality has ensured that its Integrated Development Plan is aligned to National and Provincial government's strategies and plans. The Municipality's budget allocations are aligned to its strategic objectives as indicated in supporting schedules SA5 and SA6.

- Within its constrained fiscal resource environment, the Municipality has presented a 'pro-poor' 2020/21 budget that takes into account the plight of indigent households and provides rebates and exemptions on property rates in qualifying cases.

- Of the Municipality's R713.466 million total 2020/21 operating expenditure budget, R436.480 million (61.2 per cent) is directed towards strategic objective 'Essential Services'. Similarly, the majority share of the capital expenditure budget, R86.194 million (97.1 per cent) is allocated to the 'Essential Services' strategic objective.

- The remaining 38.8 per cent of the operating expenditure budget is allocated across the remaining 3 strategic objectives, with 'Governance' allocated 21.8 per cent of the operating budget, 'Communal Services' receiving 15.9 per cent and 'Socio-Economic' support services only allocated 1.1 per cent. In respect of the capital expenditure budget, the other capital budget allocations are marginal.

- It is clear from it budgetary allocation to its strategic objectives where the Municipality's budget priorities lie over the 2021/21 MTREF. Delivering on its service delivery mandate remains a crucial priority for the Municipality as well as investment in new bulk infrastructure mainly for new housing developments.

3.4 PROVINCIAL RESOURCE ALLOCATION

Table 3 Provincial Payments: Witzenberg Municipality

Department R'000	Outcome			Medium-term estimate			
	Audited 2016/17	Audited 2017/18	Audited 2018/19	2020/21	% Change from Revised estimate 2019/20	2021/22	2022/23
Department of Community Safety	8 379	2 780	266	266	3.91	276	287
Department of Education	318 740	338 516	364 178	417 267	6.68	441 116	464 918
Department of Health	145 510	175 242	168 656	191 717	7.61	204 633	214 151
Department of Social Development	5 221	4 998	7 094	5 896	5.49	6 220	6 519
Department of Human Settlements	43 546	41 960	32 839	45 200	9.10	47 686	49 975
Department of Environmental Affairs and Development Planning				1 000	(80.00)	500	
Department of Transport and Public Works	55 102	81 152	162 346	13 018	(56.55)	13 734	14 393
Department of Economic Development and Tourism					(100.00)		
Department of Cultural Affairs and Sport	7 975	8 050	8 726	9 764	1.30	10 300	10 866
Department of Local Government	260	385	299	299	(74.81)	308	302
Total	584 733	653 083	744 404	684 427	3.07	724 773	761 411
Total Transfers to Witzenberg Municipality	53 391	45 146	40 290	53 618	10.55	90 743	45 341
Transfers as a percentage of Provincial Payments and Estimates	9.13	6.91	5.41	7.83	7.25	12.52	5.95

For the 2020/21 financial year, Provincial Government will spend an estimated R684.427 million in Witzenberg. The highest spending departments are Education (61.0 per cent), Health (28.0 per cent) and Human Settlements (6.6 per cent of total spend). Together these three departments represent 95.6 per cent of Provincial Government spend in Witzenberg.

The actual transfer of funds (i.e. grants) to Witzenberg is relatively small (7.83 per cent) compared to the estimated spending of Provincial Departments within the municipal area. However, there are notably sized allocations in the transfers budget such as R37.954 million for the Human Settlements Development Grant which will contribute towards the low-cost housing needs in the municipal area.

Overall per capita spend by the province within the Witzenberg Municipality is R4 804 for the 2020/21 financial year.

3.5 ENABLERS OF ECONOMIC GROWTH AND DEVELOPMENT

Infrastructure as an enabler of economic growth

Infrastructure development is not only beneficial to the economy in the short term but also creates the conditions for sustained competitiveness, growth and jobs, both in developed economies and in emerging markets.

Access to infrastructure provision promotes human development and a better quality of life through improved productivity and sustainable economic growth, specifically, public infrastructure provisioning may enhance trade and commerce and play an important role in alleviating poverty and inequality. Therefore, infrastructure investment is a key enabler to sustain growth over time. This section will assess provincial and municipal infrastructure allocations over the MTREF and its potential contribution to economic growth in the municipal area and region.

Provincial and Municipal Capital Budget Expenditure 2020/21

Table 4 Comparison of Provincial and Witzenberg Municipality Infrastructure Expenditure: 2020/21 (R'000)

Type	2020/21		
	Provincial Infrastructure Spend	Municipal Infrastructure Spend	Total
Economic Infrastructure	**18 000**	**20 245**	**38 245**
Road Transport and Public Works	**18 000**	**20 245**	**38 245**
Cape Nature	**-**	**-**	**-**
Social Infrastructure	**76 572**	**1 520**	**78 092**
Education	**31 000**	**-**	**31 000**
Health	**7 978**	**-**	**7 978**
Social Development	**-**	**1 520**	**1 520**
Housing	**37 954**	**-**	**37 594**
Trading Services	**-**	**65 600**	**65 600**
Electricity	**-**	**2 500**	**2 500**
Water	**-**	**27 396**	**27 396**
Waste Water Management	**-**	**26 347**	**26 347**
Waste Management	**-**	**9 356**	**9 356**
Other	**-**	**1 400**	**1 400**
Total Infrastructure Spend	**94 572**	**88 765**	**183 337**

Source: 2020 Western Cape EPRE (Provincial spend), Witzenberg Municipality A-Schedules 2020/21

- Collectively the Western Cape Government and Witzenberg Municipality's total infrastructure spend for the 2020/21 financial year totals R223.697 million. The Provincial spend for the upcoming financial year is more than the municipal spend. This is an indication of the both spheres of government's commitment to economic growth in the municipal through its investment in infrastructure. The collaborative spend of both spheres of government will maximise the economies of scale and have a broader impact in the area.

3.5.1 Economic Infrastructure Analysis

Road Transport

The WCG has allocated R135.0 million to road infrastructure projects in Witzenberg over the 2020/21 MTREF with R58.0 million allocated to the 2020/21 financial year. An allocation of R18 million is for resealing of the Worcester-Wolseley road project of which R31.17 million has been spent to date, and a further R1million has been allocated to the 2021/22 financial year. A major resealing project in the Ceres-Touwsrivier area has also received significant allocations over the previous MTREF period with R33.90 million spent to date and a final allocation of R75 million earmarked for 2022/23.

Witzenberg Municipality has budgeted R20.25 million towards road infrastructure projects for the 2020/21 financial year. The budget is allocated as follows, R12.55 million for roads for the Nduli housing development, R5.03 million is for the upgrade of the Van Breda bridge and R1.8 million for the network streets throughout the Municipality.

For regional and local economies to grow and thrive, it needs reliable road infrastructure to connect supply chains and efficiently move goods and services across borders. Both direct and indirect poverty alleviation benefits can be associated with road infrastructure investment. It results in the creation of job opportunities, market accessibility, community development and improved standards of living.

It is critical that the repair and maintenance of road infrastructure is not neglected due to a focus on constructing new roads. This could over time reverse the benefits brought on by the initial investment. It is positive to note that critical upgrades to important transport nodes have been taken into account by both the province and the Municipality alongside new infrastructure projects as this will have long-term effects on the local economy.

Furthermore, greater benefits can also be achieved in the investment in road infrastructure in more rural areas. This has the potential to positively affect poverty through providing market and service access, lowering of transport costs and stimulating economic growth.

3.5.2 Social Infrastructure Analysis

Education

The total infrastructure spending on education infrastructure in Witzenberg for the 2020/21 financial year totals R31 million. This majority of this budget (R25 million) is for the construction of the new Waveren Senior Secondary School. The project has a further R25 million allocated to it in the 2021/22 financial year. The remainder of the allocation (R6 million) is for upgrades and additions to the Tulbagh High School.

With communities expanding because of new human settlements, a need arises for improved access to complementary social infrastructure such as education and medical facilities. As a result, six new schools are in the pipeline to be built over the next nine years in Witzenberg.

Access to education is vital to grow the economy as learners who have access to quality primary and secondary schools and who complete their schooling are more likely to find gainful employment and become active and productive citizens in society.

Health

The Western Cape Department of Health has budgeted to spend R27.63 million on health infrastructure in Witzenberg over the 2020/21 MTREF with R7.98 million allocated to the 2020/21 financial year. Notable health infrastructure projects for the 2020/21 financial year include upgrades to the Ceres Hospital (R3.81 million) and investments in new health technology for the Tulbagh clinic (R1.2 million) and the Ceres CDC (R1 million).

Given the COVID-19 global crisis that is currently ensuing, it has become clearer that investing in health infrastructure and health systems not only saves lives but it is a crucial investment in the wider economy. It is apparent that ill-health hinders productivity and adversely affects human capital development. Investments in proper health infrastructure and systems can minimise the effects of health crises and subsequent economic shocks.

Human Settlements

Within Witzenberg, 11.2 per cent of the total households are informal. This coupled with the constant influx of people into the area has created a need to prioritise housing provision within the area to eradicate the backlog that exists. The provincial spending on housing in Witzenberg totals R102.56 million over the 2020/21 MTREF. 36.7 per cent of the total MTREF budget (R37.59 million) is allocated to the 2020/21 financial year. The 2020/21 budget includes allocations towards top structures construction for Vredebes to the amount of R35 million and R1.56 million towards planning for the Nduli site. Demand for housing continues to outweigh the level of supply within the municipal area with increasing backlogs due to the current waiting list but also the constant influx of people into the municipal area.

A need to address the 'gap' housing market has also been identified by the Municipality. This market will cater for household income of between R3 501 – R22 000 monthly. The Municipality is in the process of earmarking of land for gap housing. The development of gap housing could have a positive effect on potential future revenue for the Municipality.

3.5.3 Trading Services Infrastructure Analysis

The majority share of the Municipality's infrastructure budget (R65.60 million; 73.9 per cent) is allocated towards trading services infrastructure. This is mainly to roll-out new bulk infrastructure to the low-cost housing developments in the area.

- **Electricity**

The Municipality's allocation to energy infrastructure amounts to R2.5 million for the 2020/21 financial year. This is a relatively small share of the total infrastructure budget as expansions in electrical infrastructure cannot be accommodated until 2022 according to Eskom.

Municipal capital expenditure allocations for electricity include R1million for MV Substation equipment, R1 million for MV Network equipment and R500 000 for upgrades of LV Network cables.

- **Water**

Water infrastructure allocations in the Municipality amounts to R27.40 million for 2020/21. The majority of the allocation is R16.93 million for the construction of the Tulbagh Dam to alleviate shortages in supply as well as lack of capacity as was experienced during the severe drought experienced recently. Other significant allocations include R9.49 million for bulk water infrastructure for the Nduli housing development.

- **Waste Water**

Waste water management infrastructure receives the second biggest share of the trading services infrastructure budget for 2020/21. This allocation amounts to R26.35 million. Notable allocations include R13.82 million for storm water infrastructure for the Nduli housing development and R10.23 million for bulk sewerage in Vredebes.

- **Waste Management**

The total waste management allocation in the Municipality amounts to R9.36 million in 2020/21. The total allocation is for the construction of a waste drop-off station. This sizable allocation towards the solid waste management function in the Municipality is essential to address the waste management and landfill challenges faced by the Municipality. The backlogs in infrastructure continues to exert further pressure on municipal resources. The growing demand for basic services within growing informal settlements is challenging to sustain. The Municipality is faced with an insufficient capital budget to address and eradicated backlogs timeously. Ageing infrastructure within the Municipality needs immediate remedial attention in order to prolong its lifespan. National Treasury guidelines indicate that allocations to repairs and maintenance should be 8 per cent of Property, Plant and Equipment (PPE) budgets. The Municipality has indicated that the repairs and maintenance spending as a percentage of PPE is 1.8 per cent for the 2020/21 financial year.

SECTION 4: FINANCIAL SUSTAINABILITY

4.1 REVIEW OF THE HISTORICAL INFORMATION

4.1.1 The Financial Health and Performance – year ended 30 June 2019

The assessment of the financial health and performance is an integrated process involving a review of a municipality's audited annual financial statements, audit report and ratio analysis. The results of the ratio analysis are used to support financial decisions and to identify factors which may influence the financial stability of the Municipality.

Adverse ratios highlight areas where attention may be required to ensure sustainability. The assessment analysis is based on the 2017, 2018 and 2019 audited financial statements to have a more solid context when looking at the 2020/21 budget.

The analysis is conducted as per National Treasury MFMA Circular No. 71.

Note: The Municipality submitted the ratios as was requested by National Treasury. The Municipality made the necessary corrections where necessary and resubmitted the ratios to PT to be used in the compilation of this report.

Provincial Treasury has analysed these ratios and the following items are highlighted.

The Financial Performance as per the Audited Annual Financial Statements

Table 5 Financial ratios and norms

Financial ratios and norms		2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Audited	Comments
Asset Management							
1.	Capital Expenditure to Total Expenditure: **10% - 20%**			**10.3%**	**10.8%**	**13.4%**	The ratio results have increased year on year from 10.3 per cent in 2017 to 13.4 per cent in 2019, the outcomes are within NT desired norm of 10 - 20%. This indicates that the Municipality has been adding to their capital infrastructure annually.
2.	Capital Expenditure Budget Implementation Indicator: **95 – 100%**			**97.4%**	**96.2%**	**94.8%**	The ratio has declined over the period under review, from 97.4 per cent in 2017 to 94.8 per cent in 2019; however, the ratio is still within the NT norm of 95 - 100 per cent. The 2018 outcome indicates that the Municipality has adequately budgeted for its Capital expenditure and should continue with this strategy going forward.
3.	Impairment of Property, Plant and Equipment, Investment Property and Intangible Assets (Carrying Value): **0%**			**0.02%**	**0.00%**	**0.09%**	The ratio has remained constant and the results indicate that the Municipality is within the NT desired norm of 0.00 per cent.

Financial ratios and norms		2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Audited	Comments
4.	Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property (Carrying Value): **8%**			**6.0%**	**5.7%**	**5.4%**	The ratio results declined year on year from 6.0 per cent in 2017 to 5.4 per cent 2019. The ratio result is outside the NT norm of 8 per cent. Management decisions, service delivery and Asset Management Strategies also contribute to the levels of repairs and maintenance.
5.	Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure :**(None**)			**38.4%**	**40.4%**	**37.9%**	The ratio has fluctuated over the three years measured. There is no norm from National Treasury for this ratio as the funding mix for Capital Expenditure is dependent on the municipal policy and ability to raise revenue from different sources.
6.	Own funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure: **(None**			**38.4%**	**40.4%**	**37.9%**	The ratio has fluctuated over the three years measured. There is no norm from National Treasury for this ratio. It is critical that the determination of the funding mix of capital expenditure is undertaken in such a manner that affordable borrowings is directed towards addressing service delivery needs. There is also opportunity for increasing capacity on borrowings to attain an improved balance of the funding from different sources.
Revenue, Debtors and Liquidity Management (cash availability)							
7.	Net debtor's days: **≤ 30 days**			**56 days**	**56 days**	**57 days**	The ratio results have worsened over the 3-year period and is above the NT norm of 30 days. It appears that consumers take between 56 to 57 days to pay their outstanding accounts, which could strain cash flows of the Municipality. This impact working capital availability.
8.	Bad Debts Written-off as % of Provision for Bad Debt: **100%**			**0.01%**	**185.7%**	**45.3%**	The ratio results have fluctuated year on year over the 3-year period and is below the desired norm over the period. The Municipality should revise its write off policies and procedures to align provisions raised with write offs.

Financial ratios and norms		2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Audited	Comments
9.	Operating Revenue Budget: **95% - 100%**			**110.9%**	**101.0%**	**94.8%**	The ratio results improved from 110.9 per cent in 2017 to 94.8 per cent in 2019, the ratio is within the acceptable NT norm of 95 - 100 per cent. The actual operating revenue is very close to the budget and the Municipality is commended for compiling an accurate revenue budget.
10.	Service Charges and Property Rates Revenue Budget: **95% - 100%**			**92.2%**	**99.1%**	**97.0%**	The ratio results have fluctuated over the 3-year period under review and is within the acceptable NT norm of 95 - 100 per cent.
11.	Revenue Growth (%) - Excluding capital grants: **= CPI**			**10.2%** **5.3%**	**-4.7%** **4.7%**	**0.4%** **4.5%**	The ratio results have fluctuated year on year, from 10.2 per cent in 2017 to 0.4 per cent in 2019. The 2019 ratio result is below the CPI rate, and appears unfavourable. The Municipality should consider all alternative mechanisms of growing its revenue base.
12.	Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants): **1 - 3 months**			**2 Month**	**2 Month**	**2 Month**	The ratio results have remained constant over 3 - year period under review and is within NT norms, the favourable ratio outcomes indicates that the Municipality is able to meet its operating commitments from cash and short-term investments and reflects positively on the Municipality's management of cash.
13.	Current Ratio: **1.5 - 2:1**			**2.03**	**2.22**	**2.01**	The ratio results have fluctuated year on year, from 2.03:1 in 2017 to 2.22:1 in 2018 to 2.01:1 in 2019 and is above the NT norms 1.5:1. The ratio outcome indicates that the Municipality has its current liabilities covered 2.01 times and indicates a strengthening of the cash position.

Financial ratios and norms		2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Audited	Comments
Liability Management							
14.	Debt (Total Borrowings)/Revenue: **45%**			**2.0%**	**1.6%**	**1.3%**	The ratio results have improved to some extent from 2.0 per cent in 2017 to 1.3 per cent in 2019, this ratio indicates that the Municipality's gearing is low. The Municipality has capacity to take up further borrowings which should be considered taking cognisance of cash flow realities.
15.	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure: **6% - 8%**			**2.3%**	**0.9%**	**0.6%**	The ratio has decreased over the three years, but remain well under the National Treasury norm.
16.	Creditors Payment Period (Trade Creditors):**30 days**			**55 days**	**46 days**	**44 days**	The ratio results have improved year on year from 55 days in 2017 to 44 days in 2019, the ratio however remains outside the NT norm of 30 days. A period longer than 30 days could indicate that the Municipality may be experiencing cash flow problems, but could also be because of disputes being unresolved, retentions, processing of payments, or other factors. In addition, this may also indicate that effective controls are not in place to ensure prompt payment. S65(2)(e) of the MFMA requires payment within 30 days.
Expenditure Management							
17.	Operating Expenditure Budget: **95% - 100%**			**97.7%**	**70.4%**	**91.1%**	The ratio results have fluctuated year on year from 97.7 per cent in 2017 deteriorating to 70.4 per cent in 2018 and improving to 91.1 per cent in 2019, the ratio is outside the NT norm of 95 - 100 per cent. The Municipality should budget adequately for its Operating Expenditure and should continue with its strategy going forward. Ideally, underspending should be the result of increased efficiency and not non-implementation of spending programmes.

Financial ratios and norms		2015 Audited	2016 Audited	2017 Audited	2018 Audited	2019 Audited	Comments
18.	Remuneration as a % of Total Operating Expenditure: **25% - 40%**			**29.1%**	**30.9%**	**31.7%**	The ratio results have declined year on year from 29.1 per cent in 2017 up to 31.7 per cent in 2019, remained within the NT norm.
19.	Contracted Services as a % of Total Operating Expenditure: **2% - 5%**			**6.0%**	**6.9%**	**7.6%**	The ratio results have declined from 6.9 per cent in 2018 to 7.6 per cent in 2019, and falls outside the NT norm, this indicates that functions perhaps are being performed and outsourced to consultants – but with the introduction of mSCOA the classification of expenditure had an impact on items now classified as contracted services which in the past were classified as other or general expenditure.
20.	Irregular, Fruitless and Wasteful and Unauthorised Expenditure/Total Operating Expenditure: **0%**			**0.0%**	**0.0%**	**5.0%**	The ratio has deteriorated over the period under review from 0.00 per cent in 2018 to 5.00 per cent in 2019. The result is above the norm and must to be investigated, controls revisited and strengthened and action taken following this investigation, including against those who caused Irregular, Fruitless and Wasteful and Unauthorised expenditure, where appropriate.
Grant Dependency							
21.	Own Source Revenue to Total Operating Revenue (Including Agency Revenue): **None**			**67.1%**	**77.2%**	**72.8%**	The ratios results have fluctuated over the period under review from 67.1 per cent in 2017 improving to 77.2 per cent in 2018 and deteriorating to 72.8 per cent in 2019. The Municipality continues to generate significantly high levels of its own revenue streams for its operations. The Municipality is commended for its revenue generation strategies that appear to have been successfully implemented.
Net Asset Position (Going Concern)							
22.	Total Liabilities to Total Assets: **<50%**			**22.2%**	**22.1%**	**21.5%**	The ratio results have improved over the period under review from 22.19 per cent in 2017 to 22.1 per cent in 2018 and 21.5 per cent in 2019. The ratio results are within the NT norm of <50 per cent.

4.2 SUMMARY OF FINDINGS AND RECOMMENDATIONS

4.2.1 Asset Management

- Capital Assets are the source through which the municipal mandate is realised. It is therefore imperative that planning & budgeting for the replacement, renovations and preservation of these assets are prioritised. The 2019 outcome indicates that the Municipality has adequately budgeted for its capital expenditure and should continue with its this strategy.

- The repairs and maintenance ratio results are below the desired NT norm of 8 per cent, possibly indicating that insufficient expenditure is incurred on repairs and maintenance to the extent that it could impact the useful lives of the assets and have a resultant increase in the impairment of assets. The Municipality needs to ensure that expenditure is in line with its asset management policy & maintenance schedules to ensure effective, efficient and economical asset utilisation.

- There appears to be scope for considering additional borrowings where a good commercial model is present, but should always be tested against other imperatives.

4.2.2 Revenue, Debtors and Liquidity Management (cash availability)

- The net debtor days indicates that the Municipality could be exposed to a cash flow risk due to the Municipality experiencing challenges in the collection of outstanding monies from debtors. This is further supported in 2019 financial year where the Municipality has R150.57 million (receivables from exchange transactions + property rates) or 71.8 per cent debtors outstanding for more than 90 days. Amounts that have been impaired should be considered for write-off if legal action proves to be ineffective or too costly. The Municipality should review credit control measures to avoid debt to go beyond 90 days as failure to collect what is due to the Municipality might erode the working capital available to run the institution.

- The Revenue Growth (%) - Excluding capital grants ratio indicates that the 2019 ratio result fall considerably below the CPI rate, and therefore appears unfavourable. The ratio results further indicate if there are increases in the Municipality's expenditure, this will potentially not be able to be funded by the revenue base and will be required to be funded by other means. The trend further indicates that the slower the revenue growth, the less sustainable the Municipality will be.

4.2.3 Liability Management

- The creditor payment period ratio results may have improved over the period under review and the results remain above the NT norm of 30 days. This ratio indicates the Municipality may not be adequately managing its working capital or that effective controls are not in place to ensure prompt payment. The Municipality will be required to provide further explanations in this regard. Non-compliance with MFMA requirements guiding the payment of creditors should be considered.

4.2.4 Expenditure Management

- Operating Expenditure Budget ratio result improved to in 2019 financial year, the ratio is outside the NT norm of 95-100 per cent. Deviations from the norm indicates either capacity challenges, issues of financial controls and management and/or poor budgeting. The Municipality is recommended to prepare budgets more accurately and effectively for its operating expenditure and should continue with this strategy going forward.

- Contracted services use has improved over the period under review. These costs must be analysed and the Municipality should be mindful in using contracted services in terms of the.
- The Irregular, Fruitless & Wasteful and Unauthorised Expenditure ratio results have deteriorated to 5.0 per cent in 2019. The deterioration is due to Supply Chain Management (SCM) regulation 32 contracts being classified as irregular expenditure during the audit process. PT is working with NT to find a solution for this sector.

4.2.5 Grant Dependency

- The grant dependency ratio measures the Municipality's ability to optimise its own revenue and become self-sufficient. The ratio outcomes indicate that the Municipality continues to generate significantly high levels of its own revenue streams for its operations. The Municipality is commended for its revenue generation strategies that have been successfully implemented. The ratio indicates that the Municipality is not dependent on grants for its operations as less than 15 per cent of the revenue is from grant funding.

4.3 CREDIBILITY OF FUNDED BUDGET

4.3.1 Observations on the Current Financial Year

In assessing the 2019/20 MTREF budget, consideration is given to the Municipality's current year budget implementation, past revenue streams and spending trends as a baseline measure to determine the impact on future budget implications.

Table 6 Budget Summary

Description	2016/17				2017/18				2018/19				Current Year 2019/20		
R thousands	Adjusted Budget	Audited Outcome	YTD%	Diff	Adjusted Budget	Audited Outcome	YTD%	Diff	Adjusted Budget	Audited Outcome	YTD%	Diff	Original Budget	Adjusted Budget	Diff
Financial Performance															
Property rates	61 405	61 101	100%	0%	67 752	68 470	101%	1%	74 950	75 344	101%	1%	72 282	72 282	0%
Service charges	295 515	286 621	97%	-3%	308 414	306 170	99%	-1%	318 218	305 199	96%	-4%	346 953	347 173	0%
Investment revenue	9 954	16 328	164%	64%	14 661	18 495	126%	26%	15 651	17 963	115%	15%	16 565	16 565	0%
Transfers recognised - operational	101 344	101 429	100%	0%	99 019	93 967	95%	-5%	115 971	105 201	91%	-9%	138 467	139 123	0%
Other own revenue	31 567	105 763	335%	235%	35 788	42 531	119%	19%	41 262	53 616	130%	30%	42 359	42 321	0%
Total Revenue (excluding capital transfers and contributions)	499 785	571 242	114%	14%	525 634	529 632	101%	1%	566 051	557 325	98%	-2%	616 625	617 464	0%
Employee costs	137 759	133 333	97%	-3%	153 063	152 398	100%	0%	170 402	166 502	98%	-2%	192 524	208 373	8%
Remuneration of councillors	8 926	8 780	98%	-2%	10 083	9 170	91%	-9%	10 709	9 458	88%	-12%	11 459	11 459	0%
Depreciation & asset impairment	26 922	26 143	97%	-3%	45 345	28 699	63%	-37%	44 165	30 415	69%	-31%	45 590	45 590	0%
Finance charges	17 627	17 573	100%	0%	15 464	15 676	101%	1%	16 002	15 847	99%	-1%	8 840	8 724	-1%
Materials and bulk purchases	203 463	202 204	99%	-1%	201 183	194 879	97%	-3%	214 125	204 338	95%	-5%	246 787	248 057	1%
Transfers and grants	947	941	99%	-1%	17 209	13 920	81%	-19%	14 163	10 019	71%	-29%	30 962	31 079	0%
Other expenditure	130 666	123 722	95%	-5%	175 285	108 106	62%	-38%	139 304	118 970	85%	-15%	118 518	136 191	15%
Total Expenditure	526 312	512 695	97%	-3%	617 632	522 847	85%	-15%	608 871	555 547	91%	-9%	654 680	689 473	5%
Surplus/(Deficit)	(26 527)	58 548	-221%		(91 998)	6 785	-7%	-107%	(42 820)	1 778			(38 055)	(72 009)	89%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	38 378	38 768	101%	1%	35 284	34 481	98%	-2%	52 914	54 177	102%	2%	44 178	45 826	4%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–			–	295			1 083	575			–	501	
Surplus/(Deficit) after capital transfers & contributions	11 851	97 316	821%	721%	(56 714)	41 562	-73%	-173%	11 177	56 530	506%	406%	6 123	(25 682)	-519%
Share of surplus/ (deficit) of associate	–	–			–	–			–	–			–	–	
Surplus/(Deficit) for the year	11 851	97 316	821%	721%	(56 714)	41 562	-73%	-173%	11 177	56 530	506%	406%	6 123	(25 682)	-519%
Capital expenditure & funds sources															
Capital expenditure	60 367	58 783	97%	-3%	66 217	63 800	96%	-4%	90 639	86 656	96%	-4%	71 613	81 290	14%
Transfers recognised - capital	38 378	38 768	101%	1%	35 284	34 481	98%	-2%	52 914	54 177	102%	2%	45 678	46 327	1%
Borrowing	–	–	0%	0%	–	–	0%	0%	–	–	0%	0%	–	3 043	0%
Internally generated funds	21 990	20 015	91%	-9%	30 934	29 319	95%	-5%	37 725	32 478	86%	-14%	25 935	31 919	0%
Total sources of capital funds	60 367	58 783	97%	-3%	66 217	63 800	96%	-4%	90 639	86 656	96%	-4%	71 613	81 290	14%

Source: Witzenberg Municipality 2016/2018 Audit AFS and 2020/21 Draft Budget A1-Schedule – Table A1

Findings and Recommendations

Historical trends based on the three preceding audited years, indicates that the Municipality can implement proposed budget. Actual performance for most of the operating revenue and expenditure items were more than 95 per cent and the Municipality needs to take note of the variance trends for certain line items during the final budget.

The capital expenditure shows performance trends that are above the norm of 95 per cent as per NT MFMA Circular 71 and the Municipality is commended for such an achievement. The Municipality is likely to spend below the norm though during the current year considering that it has only spent R22.76 million or 28.2 per cent of the adjusted capital budget of R80.68 million as at the end of February 2020. The Municipality is urged to place better focus on project implementation plans to get an accurate and true reflection of the planned capital expenditure which will also assists in capital performance management ensuring capital budget is spent within National Treasury Norm.

4.4 REVIEW OF THE NEW (2020/21) MTREF

4.4.1 Review of the Budget Assumptions

The Municipality complied with Regulation 16 of the Municipal Budget and Reporting Regulations and listed on page 24 of the municipal budget document budget assumptions used in the compilation of the 2020/21 MTREF. The Budget assumptions are deemed to be credible however, the following were omitted though:

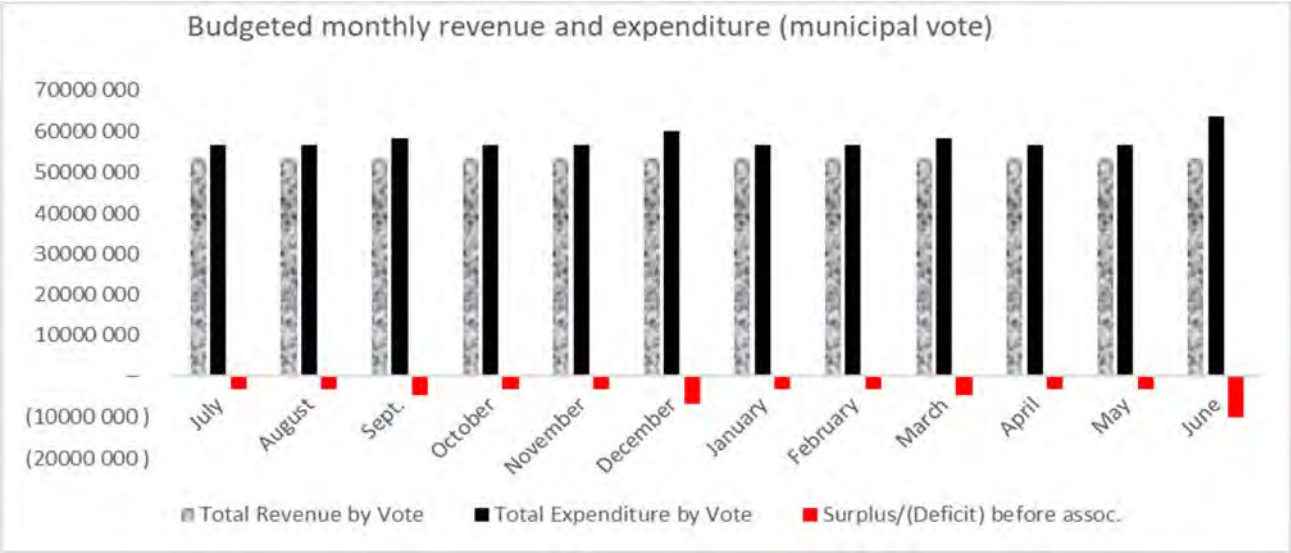
- **Efficiencies** and cost containment measures applied.
- Credit rating outlook.
- External factors (i.e. population migration, employment, health, development of businesses, and new residential areas, etc.)
- Interest rates for borrowing and investment of funds.
- Growth or decline **in tax base.**

The Municipality is requested to consider these assumptions when the final budget is adopted in Council.

4.4.2 Forecasting and Multi-Year Budgeting

The purpose is to assess the credibility of forecasting and the level of multi-year budgeting.

Graph 1 Budgeted Monthly Projections – Revenue and Expenditure

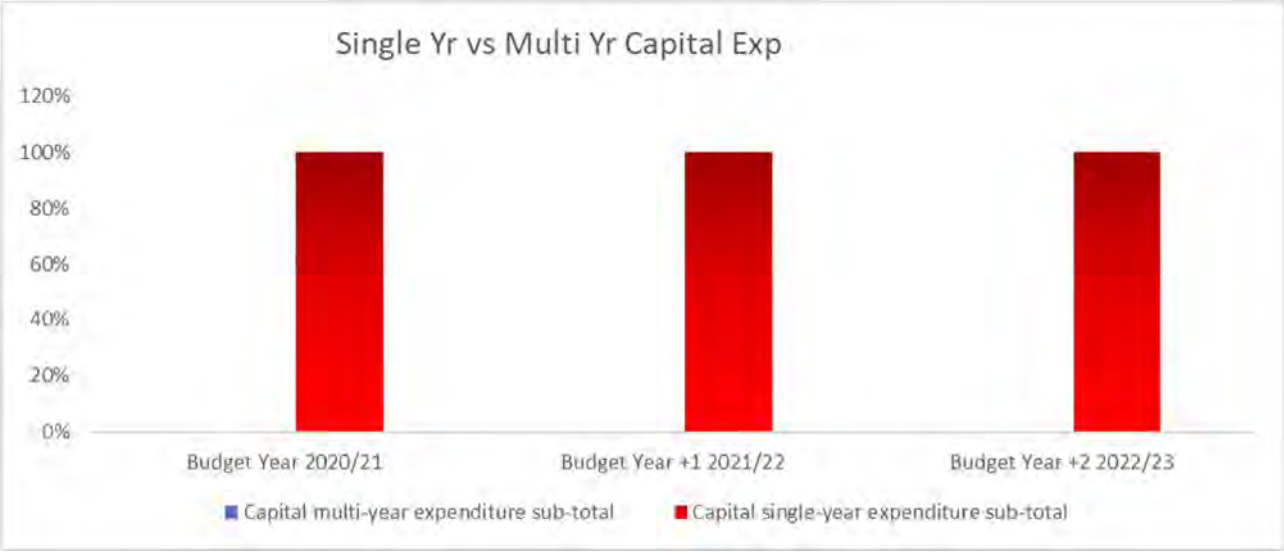


Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule – Supporting Tables SA26

Findings and Recommendations

On assessment of supporting Tables SA25 to SA27 it is evident that Witzenberg Municipality has not considered seasonal fluctuations and that linear projection has been used. The table above illustrates that the Municipality did monthly projections in supporting Tables SA25 to SA27 as they are based on the annual amount being divided by twelve. This means that the Municipality did not consider past performance trends and fluctuations which might occur as the result of seasonal or other factors. The Municipality is encouraged to forecast cash flow budget considering seasonal influences and should reconcile with supporting tables SA25, 26 and 27 of the A1-Schedules.

Graph 2 Single year vs Multi-year Capital expenditure



Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule – Table A5

Findings and Recommendations

The Municipality has not made provision for mulit-year expenditure over the MTREF. Multi-year budgeting enables municipalities to improve planning and initiate procurement processes earlier for capital projects in the two outer years of the MTREF. The Municipality is reminded that multi-year appropriation will benefit the community in terms of timeous delivery of service delivery related projects and by enhance opportunities for lower-cost financing and access to additional governmental programs. The capital expenditure on supporting Tables SA28 to SA29 is projected for quarterly spending only, which is incorrect since expenditure will be incurred monthly. The Municipality is advised to adjust implementation plans to complete grant funded project by March 2021, to avoid potential stopping of funds.

4.4.3 Budget Overview

Table 7 Budget Overview

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Total Revenue (excluding capital transfers and contributions)	516 534	529 928	535 031	616 625	617 464	617 464	640 437	695 373	791 084
Total Operating Expenditure	512 929	516 217	532 678	654 680	689 473	689 473	693 640	740 863	834 542
Surplus/(Deficit)	3 605	13 711	2 352	(38 055)	(72 009)	(72 009)	(53 203)	(45 490)	(43 458)
Adjustment									
Depreciation & asset impairment	26 280	28 699	30 415	45 590	45 590	45 590	48 932	51 643	51 643
Restated Surplus/(Deficit) for the year	29 885	42 409	32 767	7 535	(26 420)	(26 420)	(4 271)	6 153	8 185

Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule – Table A1

Findings and Recommendations

The Municipality budgeted for operating deficits over the 2020/21 MTREF with operating expenditure increasing over the MTREF. Such a trend will put pressure on the operating revenue budget and surpluses. The Municipality should consider reducing certain line items to get to a balanced budget.

The Municipality is encouraged to table a surplus operating budget since the practice of tabling a budget deficit has the ability over time to reduce either the contribution to cash backed reserves or reduce the contributions to internal funds towards capital spending.

The Municipality is encouraged to implement strategies that will sustain the financial health position and quality of services delivered to the community.

4.4.4 Adequacy of Revenue Management Framework

The following table depicts budgeted operating revenue budget and growth trends over the 2020/21 MTREF.

Table 8 Operating Revenue Budget

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			% Growth Rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	2019/20-2020/21 (year on year)	2020/21-2021/22 (year on year)	2021/22-2022/23 (year on year)	2020/21-2022/23 (average)
Revenue By Source													
Property rates	59 649	63 712	69 879	72 282	72 282	72 282	77 848	84 339	89 103	7,7%	8,3%	5,6%	7,0%
Service charges - electricity revenue	215 351	210 359	221 840	265 119	265 339	265 339	299 097	325 399	365 513	12,7%	8,8%	12,3%	10,6%
Service charges - water revenue	33 438	45 429	35 547	35 901	35 901	35 901	37 722	41 321	44 091	5,1%	9,5%	6,7%	8,1%
Service charges - sanitation revenue	18 008	26 997	24 904	22 080	22 080	22 080	22 142	26 149	28 862	0,3%	18,1%	10,4%	14,2%
Service charges - refuse revenue	19 767	23 384	22 909	23 853	23 853	23 853	24 281	27 865	30 311	1,8%	14,8%	8,8%	11,8%
Rental of facilities and equipment	8 177	5 990	5 441	7 567	7 567	7 567	7 945	8 342	8 759	5,0%	5,0%	5,0%	5,0%
Interest earned - external investments	8 512	8 122	8 551	8 695	8 695	8 695	9 129	9 586	9 089	5,0%	5,0%	-5,2%	-0,1%
Interest earned - outstanding debtors	7 816	11 044	10 545	7 870	7 870	7 870	8 264	8 677	9 111	5,0%	5,0%	5,0%	5,0%
Fines, penalties and forfeits	20 695	22 002	13 452	19 482	19 482	19 482	20 456	21 479	22 553	5,0%	5,0%	5,0%	5,0%
Licences and permits	145	4 751	1 125	1 915	1 915	1 915	2 010	2 111	2 216	5,0%	5,0%	5,0%	5,0%
Agency services	4 352	–	3 789	3 670	3 670	3 670	3 854	4 046	4 249	5,0%	5,0%	5,0%	5,0%
Transfers and subsidies	101 429	94 263	105 201	138 467	139 123	139 123	116 989	125 089	166 900	-15,9%	6,9%	33,4%	20,2%
Other revenue	18 964	13 876	10 692	9 725	9 687	9 687	10 700	10 970	10 327	10,5%	2,5%	-5,9%	-1,7%
Gains	232	–	1 157	–	–	–	–	–	–	0,0%	0,0%	0,0%	0,0%
Total Revenue (excluding capital transfers and contributions)	516 534	529 928	535 031	616 625	617 464	617 464	640 437	695 373	791 084	3,7%	8,6%	13,8%	-100,0%

Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule – Table A4

Findings and Recommendations

Property rates

The property rates are anticipated to increase by 8 per cent from the 2019/20 adjustment budget whilst the tariff increase is estimated to increase by 6 per cent for the 2020/21 budgeted year. The accuracy of the projected rates to be levied is a concern due to the discrepancy noted between SA1 and SA12b. The collection rate outlined on SA12b is not consistent with the projected collection

rate of 95 per cent. The Municipality is requested to align the information on these supporting tables when the final budget is tabled in council.

Service charges – electricity

It is noted that this revenue source will be increasing by 13 per cent in 2020/21 budget year, whilst, NERSA has not confirmed the tariff increase for municipalities. This revenue source has the highest contribution when it comes to total revenue with a contribution of 47 per cent of the total revenue budget of R695.37 million.

Service charges - water

The water revenue is increasing by 5 per cent from the 2020/21 adjustment budget while the budget narrative indicated a tariff increase of approximately 6 per cent. Consumer debtors from this revenue source is the largest contributor to the total outstanding debt of the Municipality. Although water losses decreased to 18 per cent as reported in the annual financial statements they are still above the norm of 14 to 16 per cent and remains a concern due to drought conditions that exacerbate the sustainability of this revenue source. The Municipality is advised to complete the indicators for water losses on supporting table SA8.

Service charges - sanitation

Sanitation tariffs will increase by 6 per cent, whilst the growth in revenue is not projected to increase in the 2020/21 budget year. The Municipality is encouraged to ensure that the service is sustainable and that all costs associated with the delivery of sanitation is at least recovered.

Service charges - refuse

Refuse tariffs will increase by 6 per cent, whilst the growth in revenue is projected to increase in by 2 per cent the 2020/21 budget year. The Municipality is advised to review the tariff, that it must at least cover the cost of the rendering the service and National Treasury has indicated in MFMA Circular 98 that investigations are underway that may contribute towards the reduction costs of providing this service.

The challenge experienced by the Municipality is the annual increase of **debtors over 90 days**. As at end February 2020 total debtors amounted to R212.45 million and increased by 26 per cent when compared to R168.22 million in February 2019, with debtors over 90 days amounting to R166.19 million or 78 per cent of total outstanding debt in 2019/20, whilst in 2018/19 financial year it amounted to R125.98 million or 75 per cent of total outstanding debt.

The Municipality should explore other measures such as debtors register reconciliation to the deeds register, valuation roll and financial system to ensure all revenue due to the Municipality is collected and generated. The Municipality should ensure that all possible revenues measures are explored before the burden is placed on consumers to fund the shortfall.

Transfers and subsidies

The credibility and reliability of Transfers and subsidies amount is compromised by SA18 that is not in line with the national and provincial transfers as per the Division of Revenue Bill and the Extra-Ordinary Provincial Gazette. The Municipality is advised to align supporting Table SA18 to published Division of Revenue Bill and Provincial Gazettes.

The Municipality is advised to maintain the funding choices and budgeting issues as stipulated in MFMA Circular 98 when the final budget is adopted. These are aimed at improving the effectiveness of revenue management processes and procedures; paying special attention to cost containment measures by, amongst other things, controlling unnecessary spending on nice-to-have items and non-essential activities as per the Cost Containment Regulations that was issued on 7 June 2019.

Assessing Trading Services

Table 9 Trading Services Revenue and Expenditure link - Trading and Economic Services

Description	2016/17	2017/18	2018/19	Current Year	Budget Year	Budget Year	Budget Year
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	2019/20	2020/21	2021/22	2022/23
Revenue:A4	**286 564**	**306 170**	**305 199**	**347 173**	**383 242**	**420 733**	**468 777**
Service charges - electricity revenue	215 351	210 359	221 840	265 339	299 097	325 399	365 513
Service charges - water revenue	33 438	45 429	35 547	35 901	37 722	41 321	44 091
Service charges - sanitation revenue	18 008	26 997	24 904	22 080	22 142	26 149	28 862
Service charges - refuse revenue	19 767	23 384	22 909	23 853	24 281	27 865	30 311
Expenditure: A2	**291 101**	**293 298**	**323 358**	**371 071**	**404 086**	**437 960**	**481 659**
Energy sources	201 090	201 572	208 229	259 642	291 480	318 337	355 780
Water management	20 399	28 025	37 704	33 879	32 659	34 473	35 968
Waste water management	29 814	28 364	33 065	33 665	33 746	35 923	37 749
Waste management	39 799	35 338	44 361	43 885	46 200	49 227	52 162
Cost of Free Basic Services: SA1	**13 531**	**11 659**	**20 292**	**24 572**	**29 265**	**23 998**	**21 700**
Electricity	1 406	366	838	3 189	3 999	3 357	3 189
Water	2 747	1 057	3 451	4 276	4 865	3 822	3 310
Sanitation	5 216	5 652	8 748	9 535	11 371	9 375	8 437
Refuse	4 163	4 584	7 256	7 572	9 030	7 445	6 764
Surplus/Deficit	**8 994**	**24 531**	**2 133**	**675**	**8 421**	**6 772**	**8 818**
Electricity	15 668	9 153	14 448	8 885	11 615	10 418	12 921
Water	15 785	18 462	1 294	6 298	9 929	10 671	11 433
Sanitation	(6 590)	4 285	587	(2 049)	(233)	(400)	(449)
Refuse	(15 868)	(7 369)	(14 196)	(12 460)	(12 889)	(13 917)	(15 087)
Surplus/Deficit	**3%**	**8%**	**1%**	**0%**	**2%**	**2%**	**2%**
Electricity	7%	4%	7%	3%	4%	3%	4%
Water	47%	41%	4%	18%	26%	26%	26%
Sanitation	-37%	16%	2%	-9%	-1%	-2%	-2%
Refuse	-80%	-32%	-62%	-52%	-53%	-50%	-50%

Source: Witzenberg Municipality 2020/21 MTREF Budget, Main Schedules A4: Trading revenue (excl. capital grants) and A2: Trading Services

Findings and Recommendations

Trading services reflect a surplus over the 2020/21 MTREF, except for Sanitation and Waste Management Services that are projecting deficits over the MTREF. It is noted that the deficit is on refuse removal is more than 50% and the Municipality to include steps that will be taken to decrease the deficit in the budget narrative. While there is no guidance on the surplus for refuse, it is recommended that municipality review tariffs to at least cover the cost of the rendering the service.

These deficits will be subsidised by other trading services and other revenue sources, which will in turn have a negative impact on the overall profitability of service charges. Surpluses on trading services cannot be viewed in isolation; they must be coupled with distribution and unaccounted losses to realise the true profit or loss.

It is therefore recommended that the Municipality put in place strategies to reduce losses even further, by attempting to reduce its technical and non-technical loses. Continuously asses these strategies as these will reduce the cost of supplying services and increase the volumes sold.

National Treasury has developed a tool to set proper tariffs for water, sanitation, electricity and solid waste. Municipalities are encouraged to explore use of the tool to improve tariff setting and improve financial sustainability.

Building on the theme of Finance and Fiscal Commission of "reprioritising local government finances", the Municipality should ensure that, the underlying assumptions, discount rates and growth rates upon which the asset management plans and long-term financial forecasts are prepared, are regularly reviewed and updated and that additional revenue sources to the Municipality be fully explored.

4.4.5 Adequacy of Expenditure Management Framework

The following table depicts budgeted operating revenue budget and growth trends over the 2020/21 MTREF.

Table 10 Operating Expenditure Budget

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			% Growth Rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	2019/20-2020/21 (year on year)	2020/21-2021/22 (year on year)	2021/22-2022/23 (year on year)	2020/21-2022/23 (average)
Expenditure By Type													
Employee related costs	133 332	155 415	166 502	192 524	208 373	208 373	209 705	224 867	244 178	0,6%	7,2%	8,6%	7,9%
Remuneration of councillors	8 780	9 170	9 458	11 459	11 459	11 459	12 032	12 633	13 265	5,0%	5,0%	5,0%	5,0%
Debt impairment	37 713	1 108	41 140	33 598	43 498	43 498	31 805	33 268	34 932	-26,9%	4,6%	5,0%	4,8%
Depreciation & asset impairment	26 280	28 699	30 415	45 590	45 590	45 590	48 932	51 643	51 643	7,3%	5,5%	0,0%	2,8%
Finance charges	17 573	8 675	15 847	8 840	8 724	8 724	9 181	9 635	10 108	5,2%	4,9%	4,9%	4,9%
Bulk purchases	179 203	179 705	188 783	229 196	229 196	229 196	260 023	282 489	318 008	13,5%	8,6%	12,6%	10,6%
Other materials	–	15 173	15 556	17 591	18 861	18 861	19 528	20 425	21 410	3,5%	4,6%	4,8%	4,7%
Contracted services	42 642	36 101	41 971	43 731	51 252	51 252	53 486	57 008	59 155	4,4%	6,6%	3,8%	5,2%
Transfers and subsidies	941	13 920	10 019	30 962	31 079	31 079	2 179	1 859	32 976	-93,0%	-14,7%	1673,6%	829,5%
Other expenditure	66 465	68 250	12 988	41 188	41 440	41 440	46 770	47 035	48 867	12,9%	0,6%	3,9%	2,2%
Losses	–	–	–	–	–	–	–	–	–	0,0%	0,0%	0,0%	0,0%
Total Expenditure	512 929	516 217	532 678	654 680	689 473	689 473	693 640	740 863	834 542	0,6%	6,8%	12,6%	9,7%

Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule - Table A4

Findings and Recommendations

Employee related cost

Employee related cost is projected to increase by 1 per cent from 2019/20 adjusted budget to 2020/21 budget year. In the budget assumptions the Municipality assumed a general salary increase of 6.5 per cent and notch increases of 2.5 per cent, however, as per supporting Table SA24 the Municipality expects a decrease in budgeted positions of 5.4 per cent. The Municipality is requested to provide additional details relating to the budgeted decrease in the number of positions when the final budget is adopted by Council.

Debt impairment

Debt impairment is projected to decrease by 27 per cent from the 2019/20 adjustment budget to 2020/21 budget year and there were reasons provided in the budget document for the decrease. Having noted that the current collection rate as at end February 2020 is only 84 per cent and not the 95 per cent as per the budget assumption, the Municipality is requested the review the adequacy of the provision for debt impairment and ensure alignment to the funding and reserve policy requirements.

Finance charges

Finance charges are projected to increase by 5 per cent from the 2019/20 adjustment budget to 2020/21 budget year. While the increase is within the National Treasury guideline, the budgeted amount of R9.18 million is below the 2018/19 audited outcome of R15.85 million. It is noted that the repo rate has decreased since 30 June 2019 and the Municipality is requested to review the interest budget for employee benefits and landfill site provision.

Contracted services

Contracted services constitute 7.7 per cent of the total operating expenditure budget, which is above the National Treasury norm of 2 - 5 per cent. A ratio more than the norm indicates that many municipal functions are being outsourced. The Municipality should weight the cost benefit of building capacity in-house versus the increasing budget allocation to the outsourcing of certain functions to contractors when reviewing the employee strategy in the long term financial plan.

Transfers and grants

Inconsistencies are noted with the projected budgets for this line item which raises concerns as no reasons were provided in the municipal budget report. The Municipality is requested to provide reasons of why such a decrease when the final budget is adopted by Council and consider reviewing this item.

Other expenditure

Other expenditure is projected to increase by 13 per cent in the 2020/21 budget year when compared to the 2019/20 adjustment budget and no reasons were provided in the budget document for the increase that is above the CPI inflation rate. The bulk of other expenditure is included under bad debts written off on supporting Table SA1. The Municipality is requested to correct the budget under list of other expenditure by type as it appears to be under an incorrect line item.

Irregular, Unauthorised, Fruitless and Wasteful Expenditure

The Municipality incurred irregular expenditure during the 2018/19 financial year and is required to either recover the expenditure or to submit results of the investigation to council to write of the expenditure. The Municipality is urged to strengthen internal control measures to prevent future irregular expenditure and implement stringent consequence management processes. Management is advised to continuously review and monitor the procurement and payment processes to avoid reoccurrence of these expenditures and Section 32 of the MFMA and NT MFMA Circular No. 68 does provide procedures to be follow when these transactions are detected.

Implementation of the Cost containment measures

Although the Municipality has adopted MFMA Circular 82 guidelines on cost containment measures, it is unclear whether the Municipality has developed a cost containment measures policy as required by MFMA Circular 97 and the cost containment regulations as it was not part of the budget related policies for 2020/21 MTREF. The Municipal Cost Containment Regulations require municipalities to adopt the cost containment policy as part of their budget related policies.

4.4.6 Capital Budget

Table 11 Capital Expenditure

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			% Growth Rates: MTREF Budget			
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	2019/20-2020/21 (year on year)	2020/21-2021/22 (year on year)	2021/22-2022/23 (year on year)	2020/21-2022/23 (average)
Capital Expenditure - Functional													
Governance and administration	816	1 694	1 782	2 726	6 572	6 572	1 400	–	600	-78.7%	-100.0%	0.0%	-50.0%
Executive and council	–	290	388	176	2 382	2 382	600	–	–	-74.8%	-100.0%	0.0%	-50.0%
Finance and administration	816	1 404	1 394	2 550	4 190	4 190	800	–	600	-80.9%	-100.0%	0.0%	-50.0%
Internal audit	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%
Community and public safety	8 170	3 568	3 513	18 572	18 697	18 697	1 520	137	5 729	-91.9%	-91.0%	4067.2%	1988.1%
Community and social services	1 218	646	187	4 150	4 986	4 986	580	137	4 859	-88.4%	-76.3%	3434.4%	1679.0%
Sport and recreation	2 218	2 014	3 326	13 501	12 715	12 715	940	–	70	-92.6%	-100.0%	0.0%	-50.0%
Public safety	4 734	549	–	922	997	997	–	–	800	-100.0%	0.0%	0.0%	0.0%
Housing	–	359	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%
Health	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%
Economic and environmental services	60 270	11 549	33 399	13 782	15 358	15 358	20 245	53 978	12 984	31.8%	166.6%	-75.9%	45.3%
Planning and development	–	20	491	–	1 577	1 577	–	–	–	-100.0%	0.0%	0.0%	0.0%
Road transport	60 270	11 529	32 908	13 782	13 782	13 782	20 245	53 978	12 984	46.9%	166.6%	-75.9%	45.3%
Environmental protection	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%
Trading services	45 986	49 522	47 963	36 533	40 663	40 663	65 600	80 080	19 026	61.3%	22.1%	-76.2%	-27.1%
Energy sources	31 644	7 162	11 378	8 700	9 135	9 135	2 500	5 065	8 000	-72.6%	102.6%	57.9%	-100.0%
Water management	25 370	22 269	12 522	19 581	17 384	17 384	27 396	39 990	9 526	57.6%	46.0%	-76.2%	-100.0%
Waste water management	–	16 820	22 950	7 241	8 199	8 199	26 347	22 640	1 500	221.3%	-14.1%	-93.4%	-100.0%
Waste management	(11 028)	3 272	1 112	1 010	5 944	5 944	9 356	12 384	–	57.4%	32.4%	-100.0%	0.0%
Other	–	–	–	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%
Total Capital Expenditure - Functional	115 242	66 333	86 657	71 613	81 290	81 290	88 764	134 196	38 340	9.2%	51.2%	-71.4%	-10.1%

Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule – Table A5

Findings and Recommendations

The capital budget for 2020/21 budget year is projected to increase by 9 per cent from the 2019/20 adjustment budget and by 51 per cent in 2021/22 outer year. The largest capital investment relates to trading services and more specifically water management infrastructure which will receive a high level of priority with the percentage share allocation of 30.9 per cent of the total capital budget. This is an indication of the impact of the prevailing drought has on the Municipality.

The current capital performance as at 29 February 2020 is at 28.2 per cent of the adjusted budget, possible under spending is foreseen if the Municipality does not closely monitor the capital performance. The Municipality is requested to focus on project implementation plans from the project managers and in consultation with supply chain demand management plans, that will also assist in capital performance management and ensuring capital budget is spent within National Treasury Norms of at least 95 per cent of the Capital Budget as per MFMA circular 71.

As per supporting table SA34b, the Municipality will only spend 5.5 per cent of the 2020/21 total capital budget on the renewal of existing assets which is not sustainable over the long term, as municipalities were advised in MFMA Budget Circular 55 to allocate at least 40 per cent of the capital budget to the renewal of existing infrastructure to secure the ongoing health of municipal infrastructure.

The budgeted repairs and maintenance of 1.9 per cent of PPE is below the required norm of 8 per cent. The Municipality is requested to update the maintenance plans considering the current condition of assets and the requirements for interval based maintenance to ensure the budget for repairs and maintenance is sufficient.

Asset renewal strategy policy

The Municipality has not presented any asset renewal strategy policy; however, parts of the strategy have been identified in the municipal asset management policy. The Municipality is encouraged to develop an asset renewal strategy policy that will optimise expenditure on asset rehabilitation and maintenance plan, particularly for funding asset replacement or rehabilitation; and reviews the existing stock of infrastructure as it approaches the end of its useful life.

Capitial funding Mix

Table 12 Capital budget funding mix

Description	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			% of total funding		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Funded by:												
Transfers recognised - capital	92 684	34 183	54 177	45 678	46 327	46 327	78 716	120 459	28 167	88,7%	89,8%	73,5%
Borrowing	–	–	–	–	3 043	3 043	–	–	–	0,0%	0,0%	0,0%
Internally generated funds	22 558	29 617	32 479	25 935	31 919	31 919	10 048	13 737	10 173	11,3%	10,2%	26,5%
Total Capital Funding	115 242	63 800	86 657	71 613	81 290	81 290	88 764	134 196	38 340	100,0%	100,0%	100,0%

Source: Witzenberg Municipality 2019/20 MTREF Draft Budget A1-Schedule - Table A5

Findings and Recommendations

The Municipality is highly dependent on conditional grants over the 2020/21 MTREF, whilst credibility and reliability of the capital budget is compromised by the non-alignment of table A5 to the government grants expenditure disclosed in supporting Table SA19.

It is also noted that the government funding of capital expenditure is inconsistent over the MTREF as it increases by 53 per cent in the first outer year and drops to 23 per cent in the last year. The implication of these reductions is that municipalities are required to reprioritise projects.

The Municipality should work towards optimising the revenue base to improve the ratio of own funding in financing capital projects. The revenue-raising projects should be carefully monitored, to ensure that sufficient transfers are made to build the capital replacement reserves, which currently show a down sliding trajectory over the MTREF. Projects funded by government grants should be finalised within the required timeframes to avoid the risk of retention or reduced allocations in future years.

4.4.7 Table A6 – Financial Position

Table 13 Financial Position

	2017	2018	2019	2020	2021	2022	2023
Cash/Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 Month	2 Months	1 Month	1 Month	1 Month	1 Month	1 Month
Current Ratio	2.05	2.24	2.01	1.25	1.11	1.04	1.02
Liquidity Ratio	1.04	1.21	1.03	0.63	0.54	0.51	0.51
Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	5.11%	2.10%	3.44%	1.27%	1.54%	1.50%	1.39%
Debt (Total Borrowings)/ Revenue	2.34%	1.47%	1.21%	1.03%	0.76%	0.47%	0.23%

The analysis of the A6 (Budgeted Financial Position) and A8 indicates that the Municipality has reported a negative working capital that demonstrates that the Municipality does not have enough funds to meet its short-term liabilities over the MTREF period.

Cash and cash Equivalents

The Municipality budgeted for a positive cash and cash equivalents throughout the MTREF financial years of R80.92 million, R86.52 million and R97.32 million for 2020/21, 2021/22 and 2022/23 respectively. The Municipality budgeted for a positive cash and cash equivalents over the MTREF.

Current Ratio

The Municipality's current ratio is on a downward trajectory from 1.11:1 (2020/21), 1.04:1 (2021/22) and 1.02:1 (2022/23) over the 3-year MTREF period and remains below the NT norm of 1.5:1.

Liquidity ratio

The anticipated liquidity ratio is reported to be 0.54:1, 0.51:1, and 0.51:1 for the 2020/21, 2021/22 and 2022/23 years respectively. This ratio depicts that the Municipality is anticipating that the Municipality will not have adequate financial resources to settle its short-term debts and that the Municipality is exposed to liquidity risk.

Cash Cover Ratio

The Municipality reflects a cost coverage ratio of 1 month over the MTREF years except for the 2020/21 financial year which reflected to be less than 1 month, demonstrating that the Municipality does not have adequate cash resources in the immediate financial year to meet its monthly fixed operating commitments from cash. The anticipated cash coverage ratio is below the NT norm of 1 - 3 months. However, the Municipality anticipates the cash coverage ratio to improve in the outer MTREF years (2021/22 and 2022/23). It is noted that the Municipality is not budgeting for short-term investments during the MTREF period.

Debt (Total Borrowings) to total Operating Revenue

The debt ratio is decreasing from 0.76 per cent (2020/21), 0.47 per cent (2021/22) to 0.23 per cent (2022/23) over the MTREF period. The anticipated debt ratio is within the NT norm of below 45 per cent. This indicates that the Municipality has the capacity to take on additional increase funding from borrowings. However, based on the anticipated current and liquidity ratios and the ability of the Municipality to convert its outstanding debtors to cash will determine as to whether the Municipality can afford any additional borrowings.

Capital Cost (Interest Paid and Redemption/Total Operating Expenditure

The capital cost ratio is decreasing from 1.54 per cent (2020/21), 1.50 per cent (2021/22) to 1.39 per cent (2022/23) over the MTREF period. The ratio is below the National Treasury norm of 6 - 8 per cent indicating that the ratio is favourable and the Municipality can take on increased funding through borrowing.

4.4.8 Table A7 – Cash Management

The Municipality reported a positive budgeted cash flow as per the A7 (Budgeted Cash Flow Statement) of R80.92 million, R86.52 million and R97.32 million for 2020/21, 2021/22 and 2022/23 respectively. This depicts that the Municipality anticipates having a positive cash position over the MTREF. The MTREF budget indicates that the Municipality intends to collect its revenue in line with the anticipated budgeted average collection rate of 95 per cent.

4.4.9 Table A8 – Application of Cash and Investments

The Municipality has taken into consideration the required applications to the reported cash and cash equivalents reflected in the table. Table A8 depicts that the Municipality will achieve an overall outcome of R66.16 million for 2020/21, R69.22 million for 2021/22 and R79.05 million for 2022/23. The outcome of the A8 table reflects that the Municipality's budget is funded and sustainable over the MTREF period. Furthermore, the analysis of the SA10 indicates that the Municipality reported an Operating deficit of R53.20 million, R45.49 million and R43.05 million during the 2020/21, 2021/22 and 2022/23 MTREF years.

4.5 mSCOA IMPLEMENTATION

The Municipality is commended for submitting their data strings timeously. The data strings submission status for the Municipality as at 31 March 2020 is as follows:

Table 14 Data strings submission status as at 31 March 2020

Demarcation Description	Demarc Code	CAP	TABB	PRTA
Witzenberg	WC022	L	G	G

Source: National Treasury LG Database

Utilisation of financial systems

MFMA Budget Circular 98 requires municipalities to budget, transact and report directly from the core financial system and on all six (6) legislated mSCOA segments, thereafter submit the required data strings to the Local Government Portal, however, the municipal budget document was silent in this regard.

Seamless Integration of Financial Systems

Due to the variances highlighted in the perfect alignment tool below, it is evident that the financial system is not fully integrating with the supporting system.

Table 15 Perfect alignment Tool _ Draft Budget A1-Schedules vs data strings

Description	2020/21 Medium Term Revenue & Expenditure Framework								
R thousands	Data Strings Budget Year 2020/21	Council A1 Schedule	Differences	Data Strings Budget Year 2021/22	Council A1 Schedule	Differences	Data Strings Budget Year 2022/23	Council A1 Schedule	Differences
Financial Performance									
Property rates	77 848	77 848	-	84 339	84 339	-	89 103	89 103	-
Service charges	383 242	383 242	-	420 733	420 733	-	468 777	468 777	-
Investment revenue	9 129	9 129	-	9 586	9 586	-	9 089	9 089	-
Transfers recognised - operational	116 989	116 989	-	125 089	125 089	-	166 900	166 900	-
Other own revenue	53 170	53 229	(59)	55 566	55 626	(59)	57 153	57 215	(62)
Total Revenue (excluding capital transfers and contributions)	640 378	640 437	(59)	695 314	695 373	(59)	791 021	791 084	(62)
Employee costs	209 705	209 705	-	224 867	224 867	-	244 178	244 178	-
Remuneration of councillors	12 032	12 032	-	12 633	12 633	-	13 265	13 265	-
Depreciation & asset impairment	48 932	48 932	-	51 643	51 643	-	51 643	51 643	-
Finance charges	9 181	9 181	-	9 635	9 635	-	10 108	10 108	-
Materials and bulk purchases	279 551	279 551	(0)	302 914	302 914	-	339 418	339 418	-
Transfers and grants	2 179	2 179	-	1 859	1 859	-	32 976	32 976	-
Other expenditure	132 061	132 061	-	137 312	137 312	-	142 954	142 954	-
Total Expenditure	693 640	693 640	(0)	740 863	740 863	-	834 542	834 542	-
Surplus/(Deficit)	(53 262)	(53 203)	(59)	(45 550)	(45 490)	(59)	(43 521)	(43 458)	(62)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	78 716	78 716	-	120 459	120 459	-	28 167	28 167	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions) & Transfers and subsidies - capital (in-kind - all)	59	-	59	59	-	59	62	-	62
Surplus/(Deficit) after capital transfers & contributions	25 513	25 513	0	74 968	74 968	-	(15 292)	(15 292)	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	25 513	25 513	0	74 968	74 968	-	(15 292)	(15 292)	-
Capital expenditure & funds sources	-	-	-	-	-	-	-	-	-
Capital expenditure	88 764	88 764	-	134 196	134 196	-	38 340	38 340	-
Transfers recognised - capital	78 716	78 716	-	120 459	120 459	-	28 167	28 167	-
	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	10 048	10 048	-	13 737	13 737	-	10 173	10 173	-
Total sources of capital funds	88 764	88 764	-	134 196	134 196	-	38 340	38 340	-
Financial position	-	-	-	-	-	-	-	-	-
Total current assets	271 181	165 742	105 440	205 124	177 778	27 346	225 616	196 067	29 549
Total non current assets	1 021 546	1 040 590	(19 045)	82 553	1 123 143	(1 040 590)	(13 304)	1 109 839	(1 123 143)
Total current liabilities	201 997	149 253	52 744	190 880	170 373	20 507	204 239	192 150	12 088
Total non current liabilities	176 457	155 534	20 923	21 828	154 034	(132 206)	23 366	152 534	(129 168)
Community wealth/Equity	888 760	901 545	(12 785)	-	976 514	(976 514)	-	961 222	(961 222)
Cash flows	-	-	-	-	-	-	-	-	-
Net cash from (used) operating	21 175	90 315	(69 140)	153 533	141 297	12 236	34 389	50 633	(16 244)
Net cash from (used) investing	(85 159)	(88 764)	3 605	(76 702)	(134 196)	57 494	(30 283)	(38 340)	8 056
Net cash from (used) financing	(1 032)	(1 500)	468	(523)	(1 500)	977	(549)	(1 500)	951
Cash/cash equivalents at the year end	8 303	80 923	(72 620)	76 308	86 524	(10 216)	3 556	97 318	(93 762)
Cash backing/surplus reconciliation	-	-	-	-	-	-	-	-	-
Cash and investments available	184 063	80 923	103 140	169 295	86 524	82 771	160 417	97 318	63 099
Application of cash and investments	88 441	14 762	73 680	152 582	17 308	135 274	141 586	18 272	123 315
Balance - surplus (shortfall)	95 622	66 162	29 460	16 714	69 217	(52 503)	18 830	79 046	(60 216)
Asset management	-	-	-	-	-	-	-	-	-
Asset register summary (WDV)	902 340	1 135 387	(233 047)	65 161	1 269 583	(1 204 422)	(13 304)	1 307 922	(1 321 226)
Depreciation & asset impairment	48 932	48 932	-	51 643	51 643	-	51 643	51 643	-
Renewal and Upgrading of Existing Assets	14 137	4 900	9 237	87 330	-	87 330	11 593	5 000	6 593
Repairs and Maintenance	18 282	18 282	-	19 454	19 454	-	20 350	20 350	-
Free services	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided	-	4 865	(4 865)	-	3 822	(3 822)	-	3 310	(3 310)
Revenue cost of free services provided	-	35 629	(35 629)	-	31 149	(31 149)	-	29 365	(29 365)

Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule - Table A1

Findings and Recommendations

The table above highlights the differences between the mSCOA data strings and the 2020/21 tabled A1-Schedules. Investigation of differences between municipal A1-Schedule and LG data strings should be conducted to ensure accurate and credible budgeting, which will influence the final budget.

To ensure that the relevant budget data strings are accurate, a segment use analysis on 2020/21 draft budget data strings (TABB) was conducted and the following was identified:

Table 16 mSCOA Segment Use Analysis

No	Segment	Witzenberg Municipality
1	**Project Segment**	
1.1	**Maintenance**	
1.1.1	**Corrective Maintenance**	
1.1.1.1	Planned	Limited use of available budget options
1.1.1.2	Emergency	Limited use of available budget options
1.1.2	**Preventative Maintenance**	
1.1.2.1	Condition Based	Limited use of available budget options
1.1.2.2	Interval Based	Limited use of available budget options
1.2	**Typical Work Streams**	Limited use of available budget options
1.3	**Municipal Running Costs**	Consider allocation more costs to typical workstreams
1,4	**Revenue**	
2	**Fund Segment**	
2.1	**Use of Fund Segment**	Adequate use of this segment
3	**Function Segment**	
3.1	**Use of Function Segment**	Adequate use of this segment
4	**Costing Segment**	
4.1	**Use of Costing Segment**	Limited use of available budget options. Allocated both charge and recovery to same function
5	**Region Segment**	
5.1	**Use of Region Segment**	Limited use of segment. Items mostly allocated to head office or whole of municipality
6	**Item Segment**	
6.1	**Property Rates**	Individual items not aligning to property types
6.2	**Service Charges**	Adequate use of this item segment
6.3	**Fines**	Adequate use of this item segment
6.4	**Employee Related Costs**	
6.4.1	Senior Management	Adequate use of this item segment
6.4.2	Municipal Staff	Adequate use of this item segment
6,5	**Bulk Purchases**	Adequate use of this item segment
6,6	**Councillors Remuneration**	Adequate use of this item segment
6,7	**Advertising**	Adequate use of this item segment
6,8	**Communication**	Adequate use of this item segment
6,9	**Debt Impairment**	Adequate use of this item segment
7	Travel & Subsidies	Adequate use of this item segment
7,1	**Contracted Services**	
7.1.1	Outsourced	Reasonable use of item segment
7.1.2	Consultants and Professional Services	Reasonable use of item segment
7.1.3	Contractors	Reasonable use of item segment
8.	**Other Materials**	Inventory issued does not agree with the inventory consumed expense

Source: Witzenberg Municipality 2020/21 MTREF Draft Budget A1-Schedule – mSCOA data strings

Findings and Recommendations

The Municipality has used all seven segments in allocating the budget, however, areas of improvements are noted in the above table as there was limited use of some of the items within those segments. The Municipality is encouraged to re-consider the use of project, costing, region and item segments for the line items highlighted in red above when the final budget is adopted by Council.

It should be noted that the National Treasury budget verification process has been brought forward to the period 31 May to 30 June, according MFMA Circular 98. In this one-month period, the National and Provincial treasuries will be required to evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July 2020.

SECTION 5: KEY FINDINGS, RISKS AND RECOMMENDATIONS

This section outlines the main points and risks/recommendations based on the SIME assessment. In adopting the 2020/21 MTREF budget, the following potential risks and recommendations need to be carefully considered:

5.1 PUBLIC VALUE CREATION

5.1.1 Integrated Planning

- The adopted 2020/21 IDP Review should be updated to align with the newly adopted provincial Vision Inspired Priorities and the seven 2014-2024 Medium Term Strategic Framework priorities.
- The adopted 2020/21 IDP Review should note the Joint District Approach that has been endorsed by the Western Cape Government and municipalities as the vehicle through which joint planning, budgeting and implementation are being facilitated.

5.1.2 Environmental and Planning

The Municipality must ensure that the Draft Spatial Development Framework meets the legislative requirements prior to the approval by Council.

The Municipality to clearly indicate on the SDF using the 2017 WCBSP as the main biodiversity reference in the IDP, the areas that will be managed for conservation in each town and remove reference to the 2010 biodiversity fine-scale plans.

The Municipality is requested to comprehend the specific risks and opportunities that climate change will hold going forward.

The Municipality is advised to adopt the DEA&DP Model on Integrated Waste Management By-Law or clauses thereof to ensure that by-laws are aligned.

The Municipality is requested to develop an organic waste diversion plan that will enhance waste management strategies and conduct awareness campaigns within the townships and targeted groups to boost S@S participation rates within the Municipality.

The Municipality to secure budget allocation for implementation of municipal AQMP in the IDP to ensure that air quality management services are implemented fully in order for performance and achievements to be assessed and reviewed after five (5) years, as required by the 2017 National Framework for Air Quality Management in the Republic of South Africa.

5.2 ECONOMIC SUSTAINABILITY

5.2.1 Responsiveness of the municipal budget

- Given the onset of COVID-19 in March 2020 and the potential devastating effects that an outbreak and spread of the disease could have on the socio-economic environment, various possible impacts should be considered as indicated in the socio-economic overview.
- It is critical that the repair and maintenance of road infrastructure is not neglected due to a focus on constructing new roads. This could over time reverse the benefits brought on by the initial investment.

- The Municipality has indicated that its repairs and maintenance spend as a percentage of PPE is 1.8 per cent for the 2020/21 financial year. National Treasury guidelines indicate that allocations to repairs and maintenance should be 8 per cent of Property, Plant and Equipment (PPE) budgets. The Municipality should consider increasing this allocation incrementally over the MTREF as well as ensure that it is balanced with affordability and other competing budget priorities.

- The backlogs in infrastructure continues to exert further pressure on municipal resources. The growing demand for basic services within growing informal settlements is challenging to sustain. The Municipality is faced with an insufficient capital budget to address and eradicate backlogs timeously.

5.3 FINANCIAL SUSTAINABILITY

5.3.1 Credibility and Sustainability of the 2020/21 MTREF budget

The 2020/21 MTREF analysis shows that the budget is funded, however, sustainability over the MTREF is a concern due to low own revenue streams, projected deficits and impact of constant changing factors such as the National COVID-19. The Municipality needs to manage short-term risks and uncertainties, while also planning for long-term financial resilience and sustainability. The gaps and risks identified below should be taken into consideration prior to the final budget adoption in Council, and the Municipality should:

- Provide narratives for the variance increases identified in the operating revenue and expenditure budgets.

- Note that an operating deficit budget for the 2020/21 MTREF budget years was tabled, which is attributed to non-cash items such as depreciation and asset impairment. The practice of tabling of operational deficit budgets has the ability over time to reduce either the contributions to cash backed reserves or reduce the contributions to internal funds towards capital spending. A funded budget depends on the realistically anticipated revenues, available cash backed accumulated funds from previous years not committed and borrowed funds for capital projects according to MFMA Section 18.

- Investigate debt impairment line item and align to collection rate of the Municipality.

- Constantly monitor the debtors age analysis and implement the debt collection, financial turnaround and revenue strategies, that will reduce the long outstanding debtors.

- Promote sustainable revenue and implementation of debt and credit control policies, the indigent register needs to be monitored regularly to identify non-indigent households that might be appearing in the list of indigents.

- Strengthen revenue management strategies, and improve them in-line with the principles of the National Revenue Management Game Changer, thereby improving its revenue management framework that should target improving internal controls, cash flow management, operational efficiencies and reduction of unnecessary and wasteful expenditure.

- Note that the proposed increases for most of the municipal service charges tariffs are more than the CPI guidance provided by National Treasury. Provincial Treasury note that the increases are required to ensure medium- to long term financial sustainability and represent resource realignments with direct impacts on priority service delivery areas. The Municipality is encouraged to ensure that the proposed tariffs strike the right balance between environmental

and social objectives. Excessive increases would increase the proportion of disposable income allocated to municipal services, potentially causing services to become unaffordable.

- Have effective management of employee related cost as it is one of the largest expenditure components.
- Prioritise asset maintenance as limited renewal of assets in the outer years may have an adversely impact on the infrastructure of the Municipality.
- Prioritise maintenance and where necessary the refurbishment of essential municipal infrastructure as the projected 1.9 per cent allocation for repairs and maintenance is below the National guideline. Provincial Treasury notes the Municipalities efforts in this regard.
- Note that possible roll over application, due to low spending on capital budget. The Municipality is cautioned to a more concerted effort to avoiding conditional grants being returned to the National Revenue Fund.
- Ensure that the capital funding mix of the Municipality is balanced in context of the restrained financial position of the Municipality, however it would be recommended that the Municipality apply prudent fiscal management and closely monitoring the realisation of cash-backed surpluses to be used for capital.
- Note that multi-year appropriation will benefit the community and enhance opportunities for lower-cost financing and access to governmental programs.
- Note that the credibility of the capital budget is affected by the ability of the Municipality to implement the capital budget. Current trends indicate under spending and a more concerted effort is required to accelerate capital spending.
- Note that National Treasury will use only the mSCOA data strings for submission as prescribed and all publications will use the data collected from the mSCOA data strings. Therefore, it is imperative that the Municipality align the mSCOA budget data string to the budget adopted by Council.
- The liquidity ratios of less than 1 indicates that there is a dependency to convert outstanding debtors to cash.
- Improvements in the debt management strategy need to be put in place to ensure that outstanding debt is collected.
- The Municipality is cautioned to monitor the increasing in debtors' balances and non-collection of revenue.
- Although the Municipality has capacity to take on additional borrowing it should be considered within the cash flow requirements and affordability parameters.

ANNEXURE A

Contact details of officials working in DEA&DP should guidance be required in terms of the COVID-19 considerations highlighted in the report:

Mr Zaahir Toefy Director: Development Management Email: zaahir.toefy@westerncape.gov.za	Region 1: City of Cape Town and West Coast District Municipal area. Region 2: Cape Winelands District Municipal area and Overberg District Municipal area
Mr Gavin Benjamin Director: Development Management Email: gavin.benjamin@westerncape.gov.za	Region 3: Garden Route District Municipal area and Central Karoo District Municipal area.
Mr Eddie Hanekom Director: Waste Management Email: eddie.hanekom@westerncape.gov.za	Western Cape
Dr Joy Leaner Director: Air Quality Management Email: joy.leaner@westerncape.gov.za	Western Cape
Mr Marius Venter Environmental and Planning Appeals Co-ordinator Email: marius.venter@westerncape.gov.za	Western Cape
Mr Kobus Munro Director: Development Management Email: kobus.munro@westerncape.gov.za	Western Cape

WITZENBERG

Municipality • Munisipaliteit • U Masipala Wasa

STRATEGIC INTEGRATED MUNICIPAL ENGAGEMENT:

LG MTEC 2020

Witzenberg Municipality

12 May 2020

Contents

- COVID 19 impact 2019/2020 budget
- COVID19 impact 2020/2021 budget
- Response to key findings
- Areas for Integrated Service Delivery, Collaboration, Support

Impact of COVID-19 on Municipal Planning & Budgeting 2019/2020

Reprioritisation & Tabling of Special Adjustment Budget by end May 2020

- Approval of Disaster project and items
- Reprioritised funding for:
  - Inventory consumed : consumables and materials and supplies – disinfectant, hand sanitiser,, etc
  - Catering services – food parcels and homeless individuals
  - Hiring charges – gas for showers, toilets, etc
  - Equipment to do disinfecting
  - Personal Protective clothing for instance cloths mask, hazmat suites, etc
- Revenue downwards adjustment but impact unknown – full effect only visible from May 2020
- Expenditure upwards adjustment namely debt impairment, leave provision
- Expenditure downwards adjustment namely subsistence and travelling, catering services, security expenditure, repairs and maintenance, inventory consumed, contracted services to accommodate lossess,
- Taking up grants received, R800 000 food hampers and R119 000 for disaster relief

Impact of COVID-19 on Municipal Planning & Budgeting 2020/2021

IDP & Budget Process

- Draft IDP & Budget Process Plan 2020/2021 tabled to Council on 31/07/2019, and published for comments
- 3rd Review IDP and Budget Process Plan for 2020/2021 and Spatial Development Framework Time Schedule adopted by Council on 23/08/2019 and published
- Sectoral and Community engagements held from the 7 to 23 Oct 2019
- Senior Management Strategic sessions: 28 November 2019
- Drafting of IDP Review/Amendment, budget and SDBIP, calculating of tariffs: January to March.
- Management Institutional Readiness strategic sessions on 3 Feb 2020
- Tabling of Draft IDP Review, Draft Budget 20/21 and draft SDBIP tabled: 25 March 2020
- Closing date for comment was 6 May 2020
- Table for approval May 2020

Assumptions – planning, spatial, financial, economic

- Negative economic growth for South Africa - April 2020 forecast -6,1%
- Collapse in consumer and business confidence will lead to contraction of private investment and consumption demand
- Employment, household consumption and investment will continue to be constrained.
- Disruption to international travel and tourism,
- Fear of exposure slowed down consumer spending
- Increased retrenchments or short time work.
- Production disruptions due to lockdown and closure because of infections
- Rising liquidations and evictions a great possibility

Assumptions – planning, spatial, financial, economic

- Decrease in demand for personal services like retail, recreation and restaurants
- The financial vulnerable not be able to recover due to low or no accumulated savings
- Reprioritizing public finances to health, while reducing spending on other priority areas
- The National Treasury estimates that approximately one-third of the resources that were productive in February 2020 have been idled. Real-time economic data, such as average daily transaction values through the payment system have more than halved as economic activity has declined.
- National treasury also indicated that the longer the economy growth remains weak, the greater the risk for permanent destruction of supply side capacity with great negative implication for household income and welfare.

FISCAL RISK ASSESSMENT

- Some conditional grants to provinces and local government will be reduced substantially as part of the reprioritisations;
- Provinces are expected to contribute around R30 billion towards the reprioritisations, which can result in decease in provincial grants to municipalities;
- An estimated R1.5 billion in 2019/20 Municipal Infrastructure Grant funds are being redirected to urgent water supply projects, which can result in possible litigations;
- Increase in write-offs;
- Covering cost on behalf of citizens with no repayment – negative cash flow effect
- Increase cost due to moving capital projects to outer years;
- Possible wipe out of cash and cash equivalents,

MUNICIPAL REALITY

Sector	2016 Currently employing	(losses) and increases	Comment
agriculture, forestry and fishing sector	19 509	(9517)	2006-2016 lost jobs
wholesale and retail trade, catering and accommodation sector	11 293	4528	2006-2016 increase
general government	6 580	2848	2006-2016 increase
finance and businesses	6 122	2726	2006-2016 increase
Skilled Labour **Semi -Skilled Labour** **Low Skilled Labour**	**14.8%** **35.0%** **50.2% (assume low income workers)**		

ECONOMIC IMPACT OF COVID-19 ON THE SOUTH AFRICAN ECONOMY – SCENARIO ANALYSIS

national treasury
Department: National Treasury
REPUBLIC OF SOUTH AFRICA

STAY HOME
SAVE SOUTH AFRICA

Sectoral impacts

	direct	total
Agriculture, forestry and fishing	-0.4	-3.9
Mining and quarrying	-5.2	-4.6
Manufacturing	-5.1	-7.3
Electricity, gas and water	-0.2	-4.2
Construction	-11.9	-14.2
Trade, catering and accommodation	-1.1	-4.9
Transport, storage and communication	-3.2	-4.5
Finance, real estate and business services	-2.0	-6.6
General government services	-0.3	-1.4
Personal services	-6.0	-3.7

Legend

- Sector hit by severe contraction
- Sector hit by large contraction
- Sector hit by small contraction

Data *Source: Arndt et al., 2020*

TIMELINES FOR ADJUSTMENT BUDGET TO RESPOND TO COVID-19

national treasury
Department: National Treasury
REPUBLIC OF SOUTH AFRICA

STAY HOME
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February	March	April	May	June	July	August and beyond
2019/20		2020/21 national and provincial financial year				
2019/20 municipal financial year					2020/21 Municipal financial year	

Covid-19 disaster

- Disaster declaration for COVID-19
- Possible renewal of declaration
- Lockdown
- Phased re-opening

Parliamentary process

2020 Budget tabled (including Division of Revenue Bill) → Fiscal framework adopted → DoR Bill passed by National Assembly → DoR Bill processed by NCOP and provincial Legislatures → Appropriation Bill considered by Parliament → DoR and Appropriations Acts enacted by President → Conditional grant frameworks gazetted by MoF

Adjustment Budget to respond to COVID19 can be tabled and processed through Parliament (including DoR Amendment Bill)

Spending impact
for provinces and municipalities

2019/20 Disaster grant funds released: R466m to provinces for PPE

Reallocation of grants through s20(6) of DoRA:
- R306m for water tanks in RBIG
- R2 billion in USDG for informal settlements
- Amounts in MIG and PTNG being processed

Reprioritisation within existing business plans:
- Health Facility, Education Infrastructure grants
- MIG, USDG, IUDG

New conditions for COVID-19 in gazetted frameworks

Adjusted budget: Changes will include R20bn addition to health, R20bn to local govt and reductions to fund COVID spending

Provinces and municipalities are also using their own funds to respond

Budget process 2020/21

- Adjustment budget 2019/20 and 2020/21 budget approval to be done in May 2020 – as National and Provincial verification in June 2020 - will create unresolvable differences as differences in 2019/2020 figures in approved budget will differ
- Budget to be adjusted for COVID19 impact, estimate an income decrease of approximately 20%
- Need for buffer funds exist

Key service delivery

- Completion of Tulbagh Dam for water security urgently
- Cash generating assets replacement for continues service delivery urgently
- Green energy plants funding to minimize and reverse profit margin losses
- Increase water standpipes for informal areas
- Increase sanitary ware in informal areas
- Create backup plan for increased water consumption as drought is not fully reversed

Revenue Optimisation Strategies

- Improving coordination across the various departments in municipalities to break down the silo effect and improve service delivery at reduced cost.
- Measurement and management of the impact of free basic services increase
- Urgently update database of clients to ensure receipt of accounts
- Location based revenue management, linking stand information to Town Planning, GIS, Deeds office, building applications, basic services applications and meter installations
- Innovative visualisation of revenue data management per stand

Expenditure priorities & efficiencies

- reduce overtime;
- no filling of vacancies for 2020/21;
- consideration of filing for no salary increases July 2020/21;
- increase repairs and maintenance;
- reduce consultancy fees; increase employee efficiency
- decrease security cost and increase risk to insurance companies in order to boost liquidity;
- If above fail no choice but to implement retrenchments and salary cuts (from top down);

Capital Budget

- As per A-schedule and budget summary. No changes to be made

2020/21 MTREF Budget

FINANCIAL SUSTAINABILITY

Operating Expenditure Budget ratio result improved to in 2019 financial year, the ratio is outside the NT norm of 95-100 per cent. Deviations from the norm indicates either capacity challenges, issues of financial controls and management and/or poor budgeting. The Municipality is recommended to prepare budgets more accurately and effectively for its operating expenditure and should continue with this strategy going forward.	The ratio is 91% where the norm is 95% - 100% which is unrealistic in any budget environment. Comment is unwarranted and does not consider costing principles.
Liability management - This ratio indicates the Municipality may not be adequately managing its working capital or that effective controls are not in place to ensure prompt payment. The Municipality will be required to provide further explanations in this regard. Non-compliance with MFMA requirements guiding the payment of creditors should be considered.	Municipality complies with the requirement of payments within 30 days unless an account is put under dispute. Please refer to monthly submission of Section 71 for a clearer view of this.

FINANCIAL SUSTAINABILITY

Tables SA25 to SA27 it is evident that Witzenberg Municipality has not considered seasonal fluctuations and that linear projection has been used	Agree, has been adjusted for final budget
The Municipality has not made provision for mulit-year expenditure over the MTREF. The capital expenditure on supporting Tables SA28 to SA29 is projected for quarterly spending only, which is incorrect since expenditure will be incurred monthly	The municipality has made provision for multi year expenditure, please see SA28 (vote 6 and 7) Tables will be adjusted to reflect monthly.
The property rates are anticipated to increase by 8 per cent from the 2019/20 adjustment budget whilst the tariff increase is estimated to increase by 6 per cent for the 2020/21 budgeted year. Discrepancy noted between SA1 and SA12b.	The ratio of residential to Bonifide Agri is adjusted. Hence the increase income, but not percentage increase in tariff. Discrepancy will be corrected.

FINANCIAL SUSTAINABILITY

The collection rate outlined on SA12b is not consistent with the projected collection rate of 95 per cent.	95 % is the overall collection rate and not rate per services. Rate per service differs.
It is noted that this revenue source will be increasing by 13 per cent in 2020/21 budget year, whilst, NERSA has not confirmed the tariff increase for municipalities.	Municipality used a projected rate based on previous assumed method due to no final draft received. Final draft was received and will be adjusted for both revenue and bulk purchases
Employee related cost is projected to increase by 1 per cent from 2019/20 adjusted budget to 2020/21 budget year. In the budget assumptions the Municipality assumed a general salary increase of 6.5 per cent and notch increases of 2.5 per cent, however, as per supporting Table SA24 the Municipality expects a decrease in budgeted positions of 5.4 per cent	2019/20 year provision for actuarial losses due to increase in retirement age of female colleagues from 60 to 65. The effect of this is unknown The assumption is that it should be a actuarial gain adjustment as based on expected living age and retirement is shorter, but risk for 2019/20 financial year in terms of unauthorized expenditure was too high therefore both ways was covered. Error in finance column – should be 11 and not 1.

FINANCIAL SUSTAINABILITY

The bulk of other expenditure is included under bad debts written off on supporting Table SA1. The Municipality is requested to correct the budget under list of other expenditure by type as it appears to be under an incorrect line item.	Line items is correct. We will try to move it up but did not allow us as block is locked. Hence the inclusion under other expenditure as A4 does not have a separate line for bad debts written off. Envisage write-off for 2020/2021,
The table above highlights the differences between the mSCOA data strings and the 2020/21 tabled A1-Schedules. Investigation of differences between municipal A1-Schedule and LG data strings should be conducted to ensure accurate and credible budgeting, which will influence the final budget.	The difference mainly emanate from the opening balance in the string, that does not reflect correctly and the difference in methodology regarding cash flow that changes year on year from National Treasury. Municipality implemented method consistent with Financial statements.

SPATIAL

As was stated in the recent comments from our Department to Witzenberg Municipality on the Draft Spatial Development Framework, the Department is of the view that the Draft does not meet all the legislative requirements.	The LGMTEC assessment is based on DEADP's comment of the the previous draft. The final version of the SDF recently received contains all the relevant changes to the document that was highlighted by DEADP. These changes should make the SDF compliant with their requirements.
The Municipality to clearly indicate on the SDF using the 2017 WCBSP as the main biodiversity reference in the IDP, the areas that will be managed for conservation in each town and remove reference to the 2010 biodiversity fine-scale plans.	The areas in town for conservation has been identified and the maps will be updated accordingly.

WASTE

The Municipality has designated a Waste Management Officer (WMO), but their IWMP dated December 2010 is currently under review. Waste issues are integrated in the IDP, 3rd Review (2020 - 2021	Waste Management planning 3rd Generation review and Cape Winelands Municipality is busy with tender process to appoint a service providers
According to the State of Waste 2018 report the Witzenberg Municipality has a by-law published in 2005, but it`s not aligned to the National Environmental Management: Waste Act of 2008. The IWMP states what is needed to achieve waste minimisation and are incorporated into the IWMP.	Busy with a model by-law form Provincial DEADP that is align with NEMA:Waste Act of 2008.
Prince Alfred Hamlet WDF also experiences regular burning of waste by illegal waste pickers as access control is ineffective at this WDF	This is because the fencing is vandalise and stolen from PA Hamlet landfill site.

Areas for Integrated Service Delivery, Collaboration, Support

Areas for Integrated Service Delivery, Collaboration, Support

- Provide funding for panel of experts to assist with technical queries - Legal interpretation, VAT, Accounting, SCM libraries, etc
- Assist with bailout procedure and process when funds wiped out
- Assist with no salary increase negotiations
- Set cost limits for frequently used services and goods, addition to Circular 102

Thank You

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Director: Finance

DATUM / DATE: 19 May 2020

VERW. / REF.:

2019/2020 DRAFT ADJUSTMENT BUDGET

1. PURPOSE

The purpose of this report is to table the 2019/2020 draft Adjustment Budget for consideration to the Municipal Manager, Executive Mayor and Council.

2. LEGAL FRAMEWORK

Section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

Municipal Adjustments Budget

28. (1)A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustments budget—
(a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
(b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
(c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
(d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
(e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
(f) may correct any errors in the annual budget; and
(g) may provide for any other expenditure within a prescribed framework.

(3) An adjustments budget must be in a prescribed form.

✉ 44 Ceres 6835 ☎ (023) 316 1854 ✆ (023) 316 1877 admin@witzenberg.gov.za

(4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

(5) When an adjustments budget is tabled, it must be accompanied by—
(a) an explanation how the adjustments budget affects the annual budget;
(b) a motivation of any material changes to the annual budget;
(c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
(d) any other supporting documentation that may be prescribed.

(6) Municipal tax and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan.

(7) 3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those sections to an annual budget must be read as a reference to an adjustments budget.

"Funding of expenditures

18. (1) an annual budget may only be funded from –
(a) Realistically anticipated revenues to be collected;
(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
(c) Borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –
(a) Projected revenue for the current year based on collection levels to date; and
(b) Actual revenue collected in previous financial years."

3. RECOMMENDATION

(a) That the adjustments budget of Witzenberg Municipality for the financial year 2019/2020 as set out in the schedules contained in Section 4, be approved:

i. Table B2: Budgeted Financial Performance (expenditure by standard classification).

ii. Table B3: Budgeted Financial Performance (expenditure by municipal vote).

iii. Table B4: Budgeted Financial Performance (revenue by source).

iv. Table B5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

Yours faithfully

AJ RAUBENHEIMER
ACTING DIRECTOR FINANCE

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Acting Director: Finance

DATUM / DATE: 19 May 2020

VERW. / REF.: 5/11/1

REPORT: DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCE AND BENEFITS OF COUNCILLORS ACCORDING TO GOVERNMENT GAZETTE NO 43246

1. PURPOSE

The purpose of this report is to submit Government Gazette No 43246 dated 24 April 2020 "Remuneration of Public Office Bearers Act, 1998 (Act no 20 of 1998): Determination of upper limits of salaries, allowances and benefits of different members of municipal councils" for council's consideration and resolution on the levels of remuneration that will apply in the Witzenberg Municipality.

2. DISCUSSION

The Government Gazette is attached to this report.

2.1. Grading of the municipality

The grading of the municipality is determined by two components namely the total population and total income of its jurisdiction.

According to the latest available information as published in the Community Survey 2016: Statistical Release Number P0301, in terms of the Statistics Act, 1999 (Act No.6 of 1999), the total population in the municipal area is estimated at 130 548. The total qualifying municipal income as stated in the audited financial statements for the 2018/2019 financial year was R 423 764 369. Given the above information, Witzenberg earns 25.00 and 33.33 points respectively which adds up to 58.33 points and determines that it is graded as a grade 4 municipal council. The total qualifying municipal income excludes income from grants and VAT refunds.

2.2. Upper limits of remuneration

According to the above grading the following upper limits are determined which excludes cell phone allowances:

Title of Public Office Bearer	Current Package	New upper limits
Full time Executive Mayor	859 471	893 850
Full time Speaker/ Deputy Mayor	687 575	715 078
Full time Councillors/ Executive Mayoral Committee Members	644 603	670 387
Part time Chairpersons of section 79 Committee	349 055	363 017
Part time Councillors	271 990	282 870

2.3. Upper limits of cell phone allowances

A councillor may, in addition to the annual total remuneration packages be paid a cell phone allowance not exceeding R3 400.00 per month in accordance with the applicable municipal council policy and an allowance on the use of data bundles not exceeding R300 per month.

2.4. Special risk cover

2.4.1. A municipality must, in addition to the annual total remuneration packages take out risk insurance cover, to provide for an insurance cover, provided to a councillor by the municipality, which covers the loss of or damage to a councillor's personal immovable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder. The special risk insurance on residential property will be limited to R1, 5 million while on vehicles it is limited to R750 000. The life and disability insurance cover is limited to 2 times the total remuneration package of a councillor.

2.4.2. In the event where the residential property of a councillor was damaged or destroyed as a result of riot, civil unrest, strike or public disorder, the municipality may, subject to affordability, provide alternative accommodation to the affected councillor, for a period of 30 days from the date of such an incident.

2.4.3. Notwithstanding sub -item (2), the municipal council may, on good cause shown, provide alternative accommodation for a further period not exceeding 30 days.

2.4.4. A councillor is obliged to submit to the municipality details of property, assets and beneficiaries to be covered by the special risk insurance upon request. A councillor who fails to submit the required details referred to herein will forfeit the benefits associated with the special risk insurance cover.

2.4.5. If a councillor already belongs to another special risk cover, such councillor must declare to the municipality the details of property, assets and beneficiaries to be covered by the special risk insurance.

2.5. Date of implementation

According to the Government Gazette No 43246 the effective date is 1 July 2019.

2.6. Affordability

Provision was made for an increase of 7.0 % in councillor allowances in the 2019/2020 operating budget with the result that the provision in the original budget for the increase is sufficient.

Annexure A sets out the increase as well as the affordability of the increases.

2.7. Concurrence of the Provincial Minister for Local Government

The councillor allowances may only be implemented once the concurrence of the Provincial Minister for Local Government has been obtained.

3. RECOMMENDATION

That in respect of the determination of upper limits of salaries, allowances and benefits of different members of municipal councils, discussed by Council at a Council meeting:

(a) That Council notes the content of Government Gazette no. 43246.

(b) That sufficient funds and budget are available to set the upward salary adjustment of councillors with effect from1 July 2019.

(c) That Council approves the upward salary adjustment for councillors as determined in Government Gazette no. 43246.

(d) That Council approves the cell phone allowances and data bundle for councillors as determined in Government Gazette no. 43246.

(e) That the increase of total remuneration be approved retrospectively from 1 July 2019 subject to the concurrence of the Provincial Minister for Local Government.

(f) That the Provincial Minister for Local Government notes that Council have not implemented the latest upward salary adjustment as yet.

(g) That councillors submit to the municipality details of property, assets and beneficiaries to be covered by the special risk insurance.

Yours faithfully

AJ RAUBENHEIMER
ACTING DIRECTOR: FINANCE

Government Gazette
Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Vol. 658 24 April / April 2020 No. 43246

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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 475 **24 APRIL 2020**

REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998
(ACT NO. 20 OF 1998)

DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS

Under the powers vested in me by sections 7(1), 8(5)(a) and 9(5)(a) of the *Remuneration of Public Office-bearers Act,* 1998 (Act No. 20 of 1998), I, Nkosazana Clarice Dlamini Zuma, Minister for Cooperative Governance and Traditional Affairs, hereby –

(a) after consultation with the member of the Executive Council responsible for local government in each province; and

(b) after taking into consideration the matters listed in paragraphs (a) to (i) of section 7(1) of the Act,

determine the upper limits of the salaries, allowances and benefits of the different members of municipal councils as set out in the Schedule.

NC Zuma

NKOSAZANA CLARICE DLAMINI ZUMA, MP
MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

SCHEDULE

PREAMBLE

The salary and allowances of a councillor is determined by that municipal council by resolution of a supporting vote of the majority of its members, in consultation with the member of the Executive Council responsible for local government in each province, having regard to the upper limits as set out hereunder, the financial year of a municipality and affordability of municipality to pay within the different grades of the remuneration of councillors, including the austerity measures as approved by national Cabinet.

For purposes of implementation of this Government Notice, "in consultation with" means that a municipal council must obtain concurrence of the MEC for local government prior to the implementation of the provisions of this Notice.

1. Definitions

In this Schedule, unless the context indicates otherwise, a word or phrase to which a meaning has been assigned in the *Remuneration of Public Office-bearers Act,* 1998 (Act No. 20 of 1998) (hereinafter referred to as "the Act") *and the Local Government: Municipal Structures Act,* 1998 (Act No. 117 of 1998) (hereinafter referred to as "the Structures Act"), has that meaning and –

"basic salary" means the salary component of a councillor that excludes a travel allowance as provided in item (9)(1), housing allowance as provided in item 9(2), the municipal contribution to a pension fund as provided in item 13(1) and municipal contribution to a medical aid scheme as provided in item 13(2);
"full-time councillor" means a councillor who has been elected or appointed to an office which has been designated as full-time in terms of section 18(4) of the Structures Act;
"grade" in relation to this Notice means the grade of municipal council as determined in terms of item 4;
"part-time councillor" means a councillor other than a full-time councillor;
"pension fund" means any pension, provident or retirement annuity fund established and registered in terms of, and subject to, any law governing the registration and control of pension funds in the Republic of South Africa and to which an office bearer contributes or any pension scheme approved by Parliament for such office bearers;
"section 79 committee" means a committee of the municipal council established in terms of section 79 of the Structures Act;
"SETAs" means the Sector Education and Training Authorities established in terms of section 9 of the *Skills Development Act*, 1998 (Act No. 97 of 1998);
"special risk cover" means an insurance cover, provided to a councillor by the municipality, which covers the loss of or damage to a councillor's personal immovable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder;

"**tools of trade**" means the resources provided by a municipal council to a councillor to enable such councillor to discharge his or her duties in the most efficient and effective manner, and at all times remain the assets of the municipality concerned;

"total municipal income" means gross income in respect of a metropolitan, local or district municipality based on actual income received as stated in the audited financial statements of that municipality for the 2018/ 19 financial year. The gross income for the municipality will include the following:

- rates on property;
- fees for services rendered by the municipality, or on its behalf by a municipal entity;
- surcharges;
- other authorised taxes;
- levies and duties;
- income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government;
- regional services council replacement grant for district municipalities;
- interest earned on invested funds other than national and provincial conditional grants;
- rental for the use of municipal movable or immovable property; and
- amounts received as agent for other spheres of government.

The gross income excludes the following:

- transfers and / or grants from the national fiscus and provincial fiscus, with the exception of regional services council replacement grant for district municipalities; and
- all value added tax (VAT) refunds.

"total population" means the official statistics of the population residing in the area of jurisdiction of a metropolitan, local or district municipality, as published in the Community Survey 2016: Statistical Release No. P0301, in terms of the *Statistics Act,* 1999 (Act No. 6 of 1999); and

"total remuneration package" means the annual total cost to a municipality of a basic salary component, a motor vehicle allowance as provided in items 9(1), housing allowance as provided in items 9(2), the municipal contribution to a pension, provident or retirement annuity fund as provided in item 13(1) and municipal contribution to a medical aid scheme as provided in item 13(2) to a councillor in a municipal financial year.

2. Allocation of number of points for total municipal income

The number of points allocated for the total municipal income of a municipality is as follows:

TOTAL MUNICIPAL INCOME			NUMBER OF POINTS
R 0	-	R 10,000,000	8.33
R 10,000,001	-	R 50,000,000	16.67
R 50,000,001	-	R 200,000,000	25.00
R 200,000,001	-	R 1,500,000,000	33.33
R 1,500,000,001	-	R 2,000,000,000	41.67
More than R2,000,000,000			50.00

3. Allocation of number of points for total population

The number of points allocated for the total population within a municipality, is as follows:

TOTAL POPULATION			NUMBER OF POINTS
0	-	50,000	8.33
50,001	-	100,000	16.67
100,001	-	250,000	25.00
250,001	-	550,000	33.33
550,001	-	1,800,000	41.67
More than 1,800,000			50.00

4. Determination of grade of municipal council

(1) The sum of the number of points allocated to a municipal council in terms of items 2 and 3 of the Notice, determines the grade of such municipal council as follows:

GRADE OF MUNICIPAL COUNCIL	POINTS
1	0 to 16.66
2	16.67 to 33.33
3	33.34 to 50.00
4	50.01 to 66.67
5	66.68 to 83.35
6	83.36 and above

5. Upper limits of the annual total remuneration packages of full-time councillors

The upper limits of the annual total remuneration packages of full-time councillors are as follows:

GRADE	TOTAL REMUNERATION PACKAGE			
	EXECUTIVE MAYOR OR MAYOR	SPEAKER, DEPUTY EXECUTIVE MAYOR OR DEPUTY MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE, WHIP OR CHAIRPERSON OF A SUBCOUNCIL	CHAIRPERSON OF A SECTION 79 COMMITTEE
6	1,404,260	1,134,108	1,068,312	1,036,974
5	1,046,997	837,597	785,247	762,214
4	893,850	715,078	670,387	650,721
3	860,859	688,688	645,646	632,674
2	806,066	644,853	610,306	592,404
1	782,582	632,025	592,521	575,141
The mayor of a plenary type municipality should be remunerated according to the total remuneration package column of executive mayor or mayor.				

6. Upper limit of annual total remuneration package or allowance in respect of elected or appointed to a district council

(1) A councillor elected or appointed to a district council in terms of section 23(1)(b) of the Structures Act, may be paid the upper limit of the total remuneration package or allowance as follows:

(a) If a councillor is elected or appointed as speaker, mayor, executive mayor, member of a mayoral committee, member of an executive committee, chairperson of a section 79 committee or part-time member of a district council, such councillor is entitled to an amount equal to the difference between the total remuneration package that a councillor receives as a member of the local council and the total remuneration package allocated to that office in the district council in terms of items 5, 6, 7, 8, 9, 10, 11,12 and 13 as the case may be.

(b) If the total remuneration package payable to a councillor as a member of the local council is equal to or higher than the total remuneration package that an appointed councillor to the district council receives, such a councillor is, in addition to the total remuneration package received at the local council, entitled to a sitting allowance not exceeding R1103.23: Provided that this allowance is limited to R1103.23 per day, regardless of the number of meetings of the district council or committees of that council that are attended by such councillor on a specific day.

(2) A district municipality is responsible for –

(a) the payment of the remuneration or the allowance referred to in sub-item (1);

(b) the reimbursement of travel expenses not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles incurred by a councillor for the execution of official duties on behalf of that district municipality, in terms of that district council's policy; and

(c) the payment of cell phone expenses not exceeding 50% of the applicable allowances as prescribed under item 11 incurred by a part-time councillor for the execution of official duties on behalf of that district municipality, in terms of that district council's policy.

7. Upper limit of allowance in respect of councillors serving in the governance and intergovernmental structures of organised local government

(1) (a) A councillor designated by organised local government to serve in a governance structure of organised local government must, in addition to the total remuneration package applicable to that councillor, be paid an allowance not exceeding R1103.23 per sitting and actual attendance of any meeting: Provided that the allowance is limited to R1103.23 per day, irrespective of the number of meetings attended by such councillor on a specific day.

(b) A councillor designated by organised local government to represent organised local government at any intergovernmental structure, including national and provincial executive authorities, must in addition to the total remuneration package applicable to that councillor, be paid an allowance not exceeding R1103.23 per sitting and actual attendance of such structure: Provided that the allowance is limited to R1103.23 per day, irrespective of the number of attendances by such councillor on a specific day.

(2) Organised local government is responsible for –

(a) the payment of the allowance referred to in sub-item (1);

(b) the payment of accommodation expenses incurred for attending a meeting of governance and intergovernmental structures in terms of applicable organised local government policy; and

(c) reimbursement of travel expenses, not exceeding the applicable tariffs prescribed by the national department responsible for transport for the use of privately-owned vehicles, incurred by a councillor for attending a meeting of governance and intergovernmental structures.

8. Upper limits of the annual total remuneration packages of part-time councillors

The upper limits of the annual total remuneration packages of part-time councillors are as follows:

GRADE	TOTAL REMUNERATION PACKAGE				
	EXECUTIVE MAYOR OR MAYOR	SPEAKER, DEPUTY EXECUTIVE MAYOR OR DEPUTY MAYOR	MEMBER OF THE EXECUTIVE COMMITTEE OR MAYORAL COMMITTEE OR WHIP	CHAIRPERSON OF SECTION 79 COMMITTEE	OTHER PART-TIME MEMBERS
6	787,141	665,889	595,978	578,497	525,904
5	584,087	467,271	438,066	425,214	331,335
4	498,651	398,920	373,988	363,017	282,870
3	480,248	384,198	360,193	349,618	272,430
2	449,679	359,743	337,261	327,367	255,091
1	436,575	349,259	327,433	317,826	247,360
The mayor of a plenary type municipality should be remunerated according to the total remuneration package column of mayor/ executive mayor.					

9. Upper limits of allowances of full-time and part-time councillors

The upper limits of allowances of full-time and part-time councillors, that constitute part of the annual total remuneration package, are as follows:

(1) Motor vehicle and travel allowance

(a) A councillor listed in item 5 and 8 of this Notice may, structure his or her basic salary to provide for motor vehicle allowance.

(b) If a councillor structures a vehicle allowance, the councillor must provide proof of ownership of a private vehicle to the municipality and have the vehicle available for official duties.

(c) A councillor who uses a privately-owned vehicle for execution of official duties on behalf of the municipality, may be reimbursed for official kilometres travelled, in addition to the total remuneration package of a councillor as determined in terms of items 5 and 8 of the Notice, not exceeding the applicable tariffs as prescribed by the national department responsible for transport and in terms of the municipal council's policy.

(d) A councillor who utilises a privately-owned vehicle for official purposes must, for purpose of claiming kilometres travelled, keep a travel logbook containing the following information relating to actual official and private kilometres travelled per month as may be determined from time to time by the South African Revenue Service:

(i) Date of travel;
(ii) Kilometres travelled; and
(iii) Travel details, where to and reason for the trip.

(e) A councillor may, in exceptional circumstances and upon good cause shown, and with the approval of the Mayor or Speaker, utilise the municipal-owned vehicle for official purposes: Provided that the municipal council must, in line with applicable legislation and approved municipal council policy, exercise prudent financial management to ensure that the provision of motor vehicle does not undermine the need to prioritise service delivery and sustain viable municipalities.

(f) If a councillor uses a municipal-owned motor vehicle for official purposes, such councillor will not be reimbursed for kilometres travelled.

(2) Housing allowance

A councillor may structure his or her salary to provide for housing allowance as part of the total remuneration package.

10. Out of pocket expenses

A councillor may, in addition to the total remuneration package, be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official or ceremonial duties, in accordance with the applicable municipal council policy.

11. Upper limits of cell phone allowance for councillors

A councillor may, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, be paid a cell phone allowance not exceeding R3400.00 per month in accordance with the applicable municipal council policy.

12. Upper limits of mobile data bundles for councillors

A councillor may, in addition to the annual total remuneration packages provided for in terms of items 5 and 8 respectively, be paid an allowance on the use of data bundles not exceeding R300 per month.

13. Upper limits of pension, provident or retirement annuity fund contributions and medical benefits of councillors

(1) Pension, provident or retirement annuity contributions

(a) A councillor may participate in a pension, provident or retirement annuity fund registered in terms of the Pension Fund Act, 1956 (Act No. 24 of 1956).

(b) If a councillor elects to participate in a pension, provident or retirement annuity fund, the municipality must deduct from that councillor's salary, the monthly contributions and pay the contributions to a pension, provident or retirement annuity fund to which the councillor is a member in accordance with the rules of such pension, provident or retirement annuity fund. The contributions by the municipality and the councillor are included in the total remuneration package as a total cost to the municipality.

(2) Medical Aid Scheme

(a) A councillor may participate in a medical aid scheme registered in terms of the Medical Schemes Act, 1998 (Act No. 131 of 1998).

(b) If a councillor elects to participate in a medical aid scheme, the municipal council must deduct from that councillor's salary, the monthly contributions and pay the contributions to a medical aid scheme to which the councillor is a member in accordance with the rules of such medical aid scheme. The contributions by the municipal council and the councillor are included in the total remuneration package as a total cost to the municipality.

14. Special risk cover

(1) A municipality must, in addition to the annual total remuneration packages as provided in items 5 and 8 respectively, take out risk insurance cover, to provide for an insurance cover, provided to a councillor by the municipality, which covers the loss of or damage to a councillor's personal immovable or moveable property and assets, excluding property used by such councillor for business purposes, as well as life and disability cover, for any loss or damage caused by riot, civil unrest, strike or public disorder. The special risk insurance on residential property will be limited to R1, 5 million while on vehicles it is limited to R750 000. The life and disability insurance cover is limited to 2 times the total remuneration package of a councillor.

(2) In the event where the residential property of a councillor was damaged or destroyed as a result of riot, civil unrest, strike or public disorder, the municipality may, subject to affordability, provide alternative accommodation to the affected councillor, for a period of 30 days from the date of such an incident.

(3) Notwithstanding sub-item (2), the municipality may, on good cause shown, provide alternative accommodation for a further period not exceeding 30 days.

(4) A councillor is obliged to submit to the municipality details of property, assets and beneficiaries to be covered by the special risk insurance upon request. A

councillor who fails to submit the required details referred to herein will forfeit the benefits associated with the special risk insurance cover.

(5) If a councillor already belongs to another special risk cover, such councillor must declare to the municipality the details of property, assets and beneficiaries to be covered by the special risk insurance.

15. Tools of trade

(1) A municipal council may extend the following tools of trade to a councillor:

	TOOLS OF TRADE	APPLICABLE TO:
(a)	Braille reader	All visually impaired councillors.
(b)	Office space and furniture; Parking bay; Business cards; Calculators; Letter-heads; Stationery; Toner cartridges; Diaries; Postage costs; Office telephone; and Appropriate mobile technology and multi-digital office (excluding cell phones and mobile data card as per item 10 and 11), including facsimile, printer, photocopier and scanner.	Full-time councillors, part-time executive mayors or mayor, part-time deputy executive mayors or deputy mayors, part-time speakers, part-time members of mayoral committee or members of executive committee and part-time chairpersons of section 79 committees.
(c)	Laptop or tablet	All councillors.
(d)	Official accommodation and furniture where it currently exists	Full-time Executive Mayors or Mayors
(e)	Business cards; Calculators; Letter-heads; Stationery; and Diaries.	Part-time councillors and the usage must comply with policy directives of the municipality.
(f)	Postage costs; Office telephone; and Multi-digital office, facsimile, printer, photocopier and scanner.	Part-time councillors to have access to these tools of trade at the municipal offices.
(g)	Personal security	Executives Mayors, Mayors and Speakers are entitled to two bodyguards. Deviation from the norm may only be based on the recommendations of the South African Police Service.
		Any other councillor, subject to a threat and risk analysis conducted by the South African Police Service.

(2) If a municipal council makes available tools of trade in terms of sub-item (1), such a municipal council must take into account accessibility, affordability and cost control, equity, flexibility, simplicity, transparency, accountability and value of tools of trade.

(3) The tools of trade must be insured by the council with the exception of sub-item (1)(g).

16. Capacity building

(1) The municipal council must develop and adopt a skills development plan and personal development plan prior to any councillor undergoing training.

(2) A municipality must make a provision in its budget for development and implementation of capacity building programme for a councillor during the term of office of that councillor.

(3) Capacity building programme consist of short courses or programmes as provided for in the training, education and development policy and skills development plan of the municipality, including training conducted by national departments, associated government agencies and SETAs, provincial departments, municipalities and organised local government.

(4) The capacity building programme must take into consideration the capacity needs to fulfil a councillor' statutory obligations and affordability by a municipality.

17. Overpayment

(1) Any remuneration paid to a councillor of a municipality otherwise than in accordance with section 167(1) of the *Local Government: Municipal Finance Management Act*, 2003 (Act No. 56 of 2003) including any bonus, bursary, loan, advance or other benefit, is an irregular expenditure and the municipality –

(a) must recover that remuneration from the political office bearer or member; and

(b) may not write-off any expenditure incurred by the municipality in paying or giving that remuneration.

(2) The MEC must report to the Minister –

(a) any transgression of subsection (1); and

(b) any non-compliance with this Notice.

18. Information to be submitted to the Minister

(1) A municipality must submit to the MEC responsible for local government in the province, by not later than 30 July 2020, a report containing the following information in respect of its serving councillors for the 2019/20 financial year on an official letterhead of the municipality, signed by the mayor:

(a) Total number of councillors;
(b) Designation;
(c) Part-time or full-time;
(d) Name of incumbent;
(e) Gender;
(f) Total municipal income;
(g) Total population;
(h) Grading of municipal council;
(i) Date concurrence granted by the MEC;
(j) Total remuneration package;
(k) Total budget for personal security; and
(l) Any allowance(s) payable to a councillor.

(2) Upon receipt of the data referred to in sub-item 1, the MEC must submit a consolidated report to the Minister by not later than 31 August 2020.

19. Transitional measures

(1) If a municipality has no audited financial statements for 2018/19 financial year by the date of publication of this Notice, the audited financial statements for the 2017/18 financial year will apply.

(2) If the grading of a municipality is downgraded as a result of the redetermination of the grade of municipal council as set out in item 4 of this Notice, a councillor who in office as at 30 June 2019 will retain the total remuneration package as determined in terms of Government Notice No. 1426, Government *Gazette* No. 42134 of 21 December 2018 and the councillor is entitled to the applicable cost of living adjustment: Provided that the data used by the municipality for determination of the grading of a municipal council is correct.

20. Short title and commencement

This Notice is called the Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils and takes effect from 1 July 2019. The Notice replaces the Government Gazette No. 42134 of 21 December 2018.

OFFICE OF THE HEAD OF DEPARTMENT
Mr Graham Paulse
Graham.Paulse@westerncape.gov.za
T: +27 21 483 4999

LOCAL GOVERNMENT CIRCULAR NO: C15 OF 2020

THE SPEAKER, CITY OF CAPE TOWN: MR D SMIT

THE SPEAKER, WEST COAST DISTRICT MUNICIPALITY: MR R SWARTS

THE SPEAKER, MATZIKAMA MUNICIPALITY: MR H NEL

THE SPEAKER, CEDERBERG MUNICIPALITY: MR P STRAUSS

THE SPEAKER, BERGRIVIER MUNICIPALITY: MR R DE VRIES

THE SPEAKER, SALDANHA BAY MUNICIPALITY: MS O DANIËLS

THE SPEAKER, SWARTLAND MUNICIPALITY: MR M RANGASAMY

THE SPEAKER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS C MEYER

THE SPEAKER, WITZENBERG MUNICIPALITY: MR T GODDEN

THE SPEAKER, DRAKENSTEIN MUNICIPALITY: MR A STOWMAN

THE SPEAKER, STELLENBOSCH MUNICIPALITY: MS W PETERSEN

THE SPEAKER, BREEDE VALLEY MUNICIPALITY: MR N MERCUUR

THE SPEAKER, LANGEBERG MUNICIPALITY: MR S VAN EEDEN

THE SPEAKER, OVERBERG DISTRICT MUNICIPALITY: MR L DE BRUYN

THE SPEAKER, THEEWATERSKLOOF MUNICIPALITY: MR D DU TOIT

THE SPEAKER, OVERSTRAND MUNICIPALITY: MR A COETZEE

THE SPEAKER, CAPE AGULHAS MUNICIPALITY: MR J NIEUWOUDT

THE SPEAKER, SWELLENDAM MUNICIPALITY : MR B SONQWENQWE

THE SPEAKER, EDEN DISTRICT MUNICIPALITY: MR B GROENEWALD

THE SPEAKER, KANNALAND MUNICIPALITY : MS A THERON

THE SPEAKER, HESSEQUA MUNICIPALITY: MR A STROEBEL

THE SPEAKER, MOSSEL BAY MUNICIPALITY: MR P TERBLANCHE

THE SPEAKER, GEORGE MUNICIPALITY: MR G PRETORIUS

THE SPEAKER, OUDTSHOORN MUNICIPALITY: MS J LE ROUX-KROWITZ

THE SPEAKER, BITOU MUNICIPALITY: MR E WILDEMAN

THE SPEAKER, KNYSNA MUNICIPALITY: MS T GOMBO

THE SPEAKER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR I WINDVOGEL

THE SPEAKER, LAINGSBURG MUNICIPALITY: MR R LOUW

THE SPEAKER, PRINCE ALBERT MUNICIPALITY: MR S BOTES

THE SPEAKER, BEAUFORT WEST MUNICIPALITY: MR M MOTSOANE

THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR A HENDRICKS (ACTING)
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR H SLIMMERT (ACTING)
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR JH LEIBBRANDT
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MS G METTLER
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS
THE MUNICIPAL MANAGER, LANGEBERG MUNICIPALITY: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW (ACTING)
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLENDAM MUNICIPALITY : MR A GROENEWALD
THE MUNICIPAL MANAGER, EDEN DISTRICT MUNICIPALITY: MR M STRATU
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY : MR R STEVENS
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: ADV MG GILLIOMEE
THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR R SMIT (ACTING)
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: ADV L NGOQO
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: DR M GRATZ (ACTING)
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR J KOMANISI (ACTING)
THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS A VORSTER
THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR K HAARHOFF

Dear Colleagues

DETERMINATION OF THE UPPER LIMITS OF THE SALARIES, ALLOWANCES AND BENEFITS OF THE DIFFERENT MEMBERS OF MUNICIPAL COUNCILS FOR THE 2019/20 FINANCIAL YEAR

The National Minister for Cooperative Governance and Traditional Affairs re-determined the Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils with effect from 1 July 2019. This upward adjustment is contained in Government

Notice No. 475, published in Government Gazette No. 43246 dated 24 April 2020. For your ease of reference, attached the Upper Limits Notice as published.

Your attention is drawn to the preamble in the Schedule to the said Notice and I quote:

"The salary and allowances of a councillor is determined by that municipal council by resolution of a supporting vote of the majority of its members, in consultation with the member of the Executive Council responsible for local government in each province, having regard to the upper limits as set out hereunder, the financial year of a municipality and affordability of municipality to pay within the different grades of the remuneration of councillors, including the austerity measures as approved by national Cabinet".

For purposes of consultation with the MEC for Local Government, the following information is required:

- Grading of the municipality for remuneration purposes. The calculation must be provided as per attached certificates i.e. Affordability Verification certificate and certificate verifying the grading, together with extracts of financial statements providing the total Municipal Income as defined.
- Salaries and Allowances determined by the Municipal Council with a supporting vote of the majority of its members;
- Record of Council approval;
- Statement that budgetary provision has been made for the increased remuneration.

We wish to remind you that "in consultation with" means that a municipality will require the concurrence of the Member of the Executive Council responsible for local government in the province concerned before the new upper limits can be implemented.

The definition of "total remuneration package" is quite clear insofar as it relates to the pension and medical aid contribution being part and parcel of this definition. Municipalities are not allowed to make contributions over and above what is permissible.

In terms of Item 18.1 of the Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils, municipalities are required to submit a report, to the MEC for Local Government on or before 30 July 2020, which must be on an official letterhead of the municipality and signed by the mayor, containing the following information in respect of its serving councillors for the 2019/20 financial year:

a) Total number of councillors;

b) Designation;

c) Part-time or full-time;

d) Name of incumbent;

e) Gender;

f) Total municipal income;

g) Total population;

h) Grading of municipal council;

i) Date concurrence granted by the MEC;

j) Total remuneration package;

k) Total Budget for personal security; and

l) Any allowance(s) payable to a councillor.

It should also be noted that in accordance with the Directions issued by Dr. Nkosazana Dlamini Zuma by way of GN.R 432, in GG 43184 dated 30 March 2020, all Council Meetings are suspended during the period of the lockdown and any other extended period of lockdown that may be declared. Despite the provisions of direction 6.7.3(c) as contained in the Directions, it is advisable that Municipalities await the publication of Regulations/Directions that is intended to be published by the Minister of Cooperative Governance, which may possibly lead to an amendment to the definition of lockdown and have implications on the provisions of direction 6.7.3(c), before preparing meetings post 30 April 2020.

Please forward your request for concurrence together with the documentation requested above directly to the Department, marked for the attention of Mario Baatjes via email Mario.Baatjes@westerncape.gov.za or + 27 21 483 4109.

In addition, a copy of the affordability verification certificate, grading certificate and community survey 2016 is attached.

Yours faithfully

Mr Graham Paulse

HEAD OF DEPARTMENT

Date: 29 April 2020

Annexure A

WITZENBERG MUNICIPALITY

COUNCILLORS' DETAILS

Positions	Number of positions	Current allowance	Recommended scale	Increase in package value	Increased cost for 2019/2020
Full time Executive Mayor	**1**				
Maximum package value		R 859 471,00	R 893 850,00	4,00%	
Cell phone allowance		R 40 800,00	R 40 800,00	0,00%	
Total package value		**R 900 271,00**	**R 934 650,00**		
Subtotal per post		**R 900 271,00**	**R 934 650,00**	**3,82%**	**R 34 379,00**
Full time Speaker and Deputy Mayor	**2**				
Maximum package value		R 687 575,00	R 715 078,00	4,00%	
Cell phone allowance		R 40 800,00	R 40 800,00	0,00%	
Total package value		**R 728 375,00**	**R 755 878,00**		
Subtotal per posts		**R 1 456 750,00**	**R 1 511 756,00**	**3,78%**	**R 55 006,00**
Full time Executive Mayoral Committee members	**4**				
Maximum package value		R 644 603,00	R 670 387,00	4,00%	
Cell phone allowance		R 40 800,00	R 40 800,00	0,00%	
Total package value		**R 685 403,00**	**R 711 187,00**		
Subtotal per post		**R 2 741 612,00**	**R 2 844 748,00**	**3,76%**	**R 103 136,00**
Chairpersons of section 79 Committees	**1**				
Maximum package value		R 349 055,00	R 363 017,00	4,00%	
Cell phone allowance		R 40 800,00	R 40 800,00	0,00%	
Total package value		**R 389 855,00**	**R 403 817,00**		
Subtotal per post		**R 389 855,00**	**R 403 817,00**	**3,58%**	**R 13 962,00**
Part time Councillors	**15**				
Maximum package value		R 271 990,00	R 282 870,00	4,00%	
Cell phone allowance		R 40 800,00	R 40 800,00	0,00%	
Total package value		**R 312 790,00**	**R 323 670,00**		**R 10 880,00**
Subtotal per post		**R 4 691 850,00**	**R 4 855 050,00**	**3,48%**	**R 163 200,00**
Data card allowance	**23**	**R 82 800,00**	**R 82 800,00**		**R 0,00**
Total cost	**23**	**R 10 263 138,00**	**R 10 632 821,00**	**3,60%**	**R 369 683,00**
Affordability			**2019/2020**		
Budget 2019/2020			**R 11 458 760,00**		

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN/TO: Municipal Manager

VAN/FROM: Director: Technical Services

DATUM/DATE: 18 May 2020

VERW/REF: 16/2/1/1/1/

WATER SITUATION TULBAGH

1. PURPOSE

To update Council on the current status of the water situation in Tulbagh.

2. BACKGROUND

2.1 **Tulbagh - Water Supply**

As per the approved drought management plan, water restrictions are in place at Tulbagh since 1 February 2020. Level 3 water restrictions are in place as from 2 April 2020.

3. DISCUSSION

3.1 **Tulbagh - Water Supply**

The Tulbagh dam levels, usage and supply are monitored on a daily basis. A summary of the monitoring are as indicated below.

The status is that the dam was 40% full on 14 May 2020 with a volume of 186 730 m^3, this equates to approximately the usage of 2 months.

The latest dashboard indicates the following:

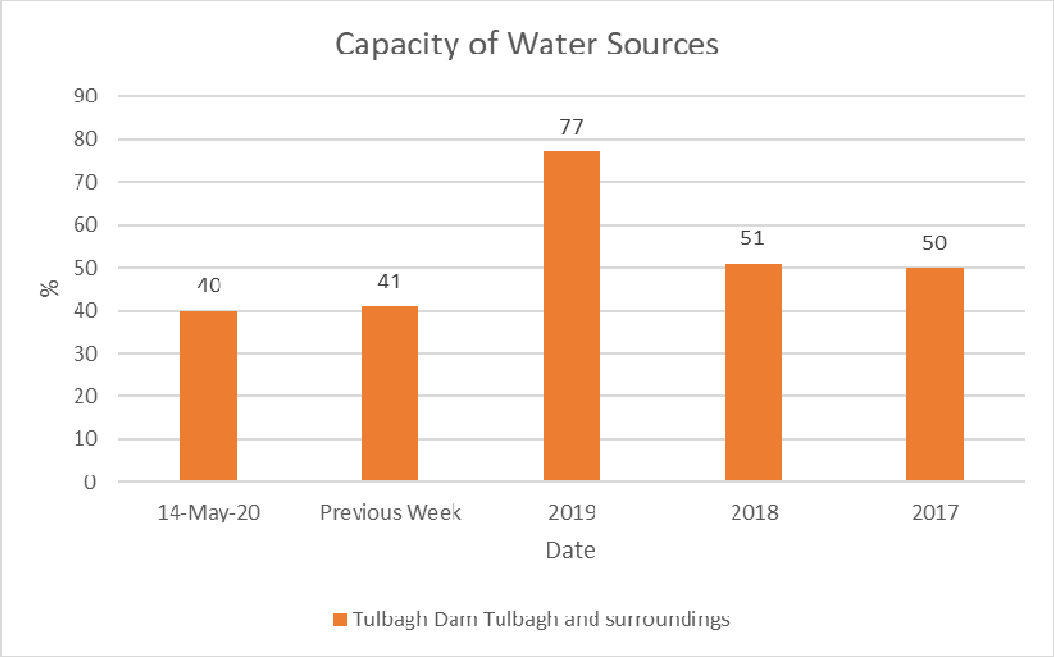
✉ 44 Ceres 6835 ☎ (023) 316 1854 (023) 316 1877 admin@witzenberg.gov.za

WATER DASHBOARD - TULBAGH

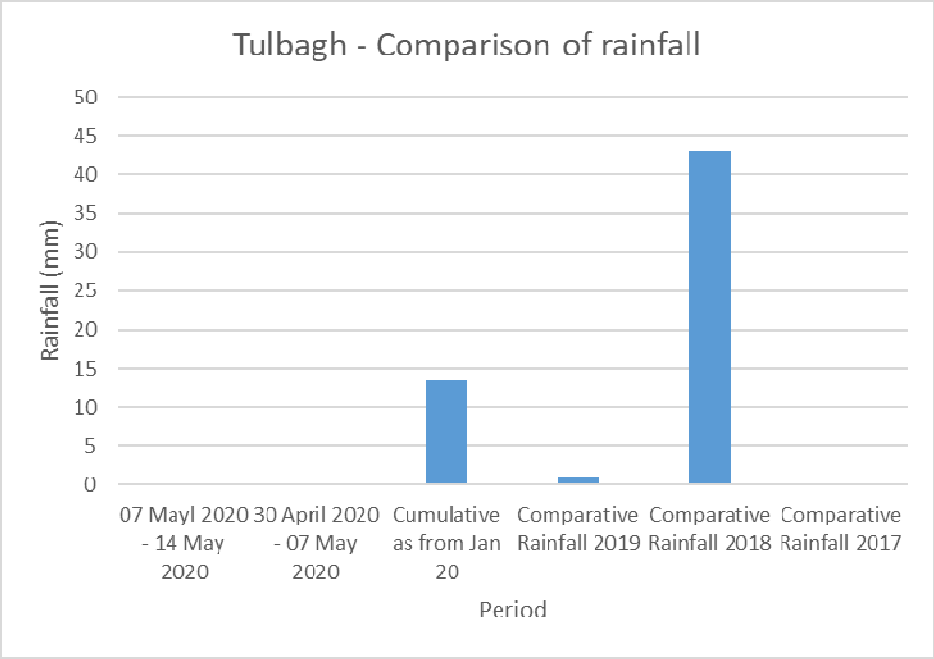
14-May-20

Water Restriction Level - Level 3 - (Very High danger of water shortage)
Tulbagh
Level 3 Water restrictions effective as from 2 April 2020

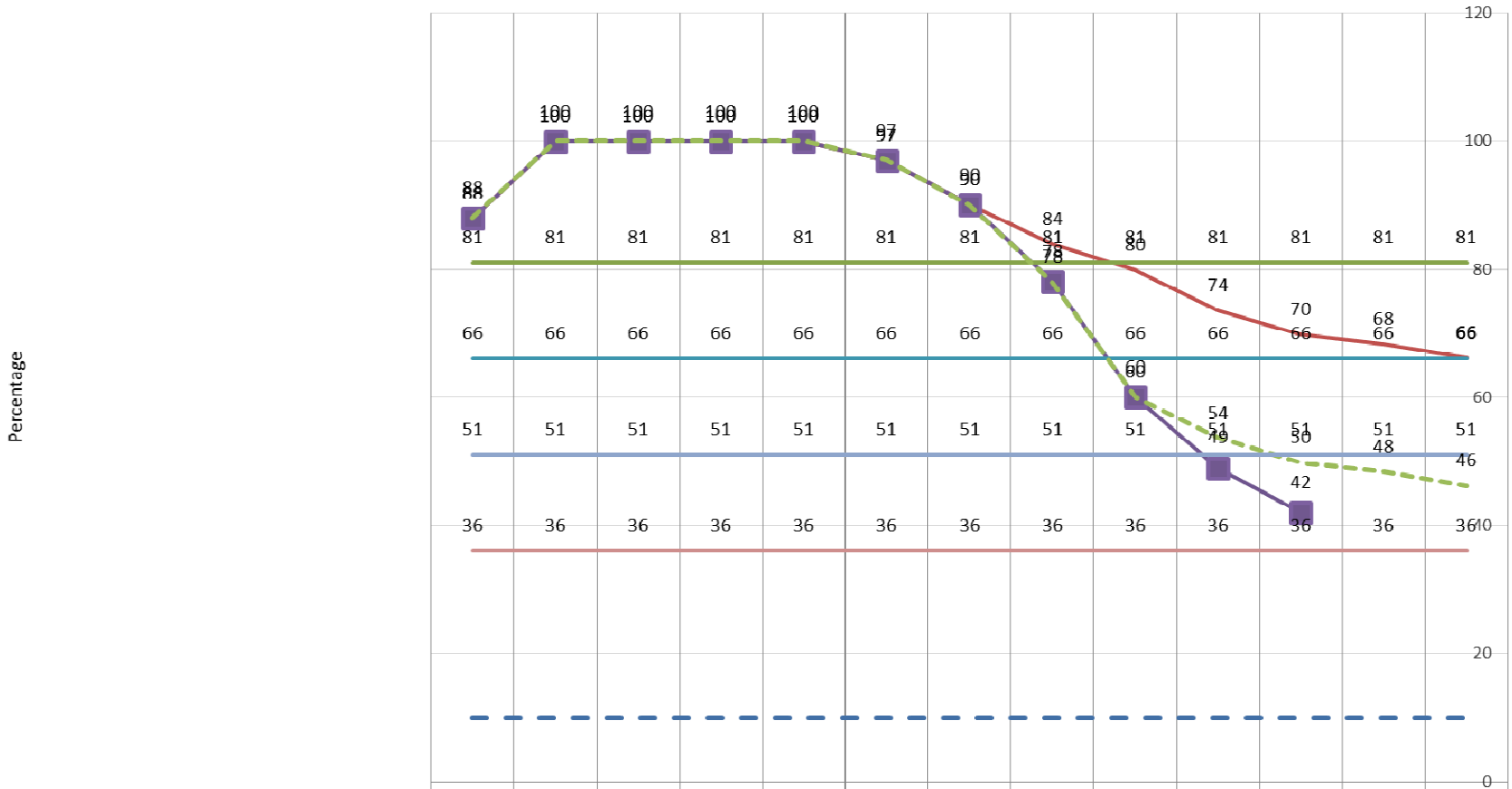
Dam	Dam Storage (%)	Weekly Dam Level Change (%)		Average Daily Usage (Ml/d)	Target Daily Usage (Ml/d)	Target Daily Usage (litres per day per household)	Remaining Water sufficient for (months)
Tulbagh Dam	40	1	↓	2,1	1,9	168	**2**



✉ 44 Ceres 6835 ☎ (023) 316 1854 (023) 316 1877 admin@witzenberg.gov.za


Tulbagh - Comparison of rainfall
Rainfall (mm)
50
45
40
35
30
25
20
15
10
5
0
07 Mayl 2020 - 14 May 2020
30 April 2020 - 07 May 2020
Cumulative as from Jan 20
Comparative Rainfall 2019
Comparative Rainfall 2018
Comparative Rainfall 2017
Period

Tulbagh Raw Water Dam
Usage and Future projections



	05 July 2019	02 August 2019	02 September 2019	01 October 2019	01 November 2019	02 December 2019	01 January 2020	03 February 2020	02 March 2020	01 April 2020	01 May 2020	01 June 2020	01 July 2020
% Projected	88	100	100	100	100	97	90	84	80	74	70	68	66
% Actual	88	100	100	100	100	97	90	78	60	49	42		
Series1	10	10	10	10	10	10	10	10	10	10	10	10	10
Level 1 restrictions	81	81	81	81	81	81	81	81	81	81	81	81	81
Level 2 restrictions	66	66	66	66	66	66	66	66	66	66	66	66	66
Projected based on 1 March 2020 actuals 0	88	100	100	100	100	97	90	78	60	54	50	48	46
Level 3 restrictions	51	51	51	51	51	51	51	51	51	51	51	51	51
Level 4 restrictions	36	36	36	36	36	36	36	36	36	36	36	36	36

We have implemented the following action plan to curb the drought:

ACTION PLAN

6.1 Water Balance

a) The network is intensely monitored to limit the wastage of water.
    a. All the water teams were deployed at Tulbagh for 3 days to do leak repairs, it is not possible now due to the lock down. We are however dealing with emergency calls which is related to water.

b) The major water users have to be identified and meetings held with them to determine their demands and how these can be reduced.
    a. Letters were written to at least the top 10 – 15 residential customers, who are not adhering to the level 3 water restriction criteria, namely 28 kl/month, to start spreading the message of compliance amongst the community.
    b. Letters were written to at least the top 10 – 15 business customers, who are not adhering to the level 3 water restriction criteria, namely consumption to be reduced with 30% compared to the similar month of previous financial year, to start spreading the message of compliance amongst the community.

c) Weekly monitoring of water levels of accessible boreholes
    a. No boreholes are being pumped currently, as the yield is too low.

d) UAW Tulbagh
    a. Water losses for Tulbagh currently at 12%.

6.2 Education and awareness

a) Large sign boards
    a. Updating of the large sign board on a weekly basis with the dam levels, which is situated at the entrance to Tulbagh.

b) Internet and social media
    a. Posts on a weekly basis , the weekly water dashboard, new level 3 water restriction criteria & tariffs and water saving tips are posted on the municipal facebook page.

c) Flyers (flyers issued)
    a. Posters regarding the drought were attached to prominent places throughout Tulbagh by the teams of water & sanitation.

d) Local radio stations
    a. The WRFM is publishing a public service announcement on the Tulbagh Drought.

6.3 Operational interventions

a. Clearing and maintaining abstraction points.

i. All water sources have been cleaned & alien vegetation clearing also done, this exercise will be repeated during March/April, this action will continue after the lock down.

b. Town based interventions
   i. All teams were deployed to Tulbagh for 3 days for leak repairs, this action will continue after the lock down.

c. Repair of all leaks at indigent households
   i. Indigent customers will be visited and leaks to be repaired on site and water management device to be installed. This action will continue after the lock down.

d. Fines
   i. Traffic patrols the area in Jooste street where taxis are illegally being washed and all other areas and must issue the necessary fines. This action will continue after lock down.

RECOMMENDATION

4.1 Tulbagh - Water Supply

4.1. That notice be taken of the level 3 water restrictions, which are in place at Tulbagh.
4.2 That notice be taken of the action plan in place to curb the drought.
4.3 That notice be taken that the remaining water in the dam is sufficient for usage of 2 months.

J F BARNARD
DIRECTOR: TECHNICAL SERVICES

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

TO : Municipal Council

FROM : Senior Manager: Town Planning and Building Control

DATE : 19 May 2020

REF. : 15/4/P

WITZENBERG SPATIAL DEVELOPMENT FRAMEWORK – ADOPTION

A BACKGROUND

On 12 February 2019, the municipality appointed consultant Built Environment Partnership (BEP) as the service provider to execute the re-drafting of the Witzenberg Spatial Development Framework.

At the Council meeting held on 31 July 2019 under Item 8.2.3 the following decision was made:

> *UNANIMOUSLY RESOLVED*
>
> *that, in terms of Section 4(1) of the Witzenberg Land Use Planning By-Law, the project programme and consultation plan contained in the Inception Report prepared by Built Environment Partnership, be approved.*

B PARTICIPATION & CONSULTATION

Subsequent to the above mentioned Council decision a public participation process was followed as per the legislative requirements which consisted of the following key events:

Council workshop	- 26 September 2019
Newspaper notice	- Witzenberg Herald - 8 November 2019
Public meetings	- 18 to 25 November 2019
Gazette notice	- 31 January 2020
Consultations with relevant Managers	- 19 February 2020

C ASSESSMENT OF INPUTS RECEIVED

Responses received (and our comment) is summarised in the following table:

RESPONSE TO COMMENTS RECEIVED BY WESTERN CAPE GOVERNMENT DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING on the 5th of FEBRUARY 2020		
NR	**COMMENT**	**RESPONSE / ACTION**
3.1	It is understood that, through funding assistance from the Department of Transport and Public Works (DT&PW), the Cape Winelands District Municipality is in the process of preparing an Integrated Transport Plan (ITP) for all the Local Municipalities within the District, including Witzenberg. This is therefore an opportune time to improve alignment between the SDF and the Integrated Transport Plan (ITP).	The ITP (2021 – 2026) is still being developed and there are as yet no concrete proposals available. However, a Roads Master Plan has been developed by SMEC in parallel with the SDF and we have been able to include important road alignments, future links etc. which was lacking from the old SDF. Also, in turn, the spatial proposals guided the Roads Master planning. But once the ITP becomes available proposals can be incorporated in future reviews of the SDF.
3.2	The Draft identifies certain aspects that should be dealt with in the ITP including the: a) high volume of people moving from the rural areas to the settlements on the weekends; b) importance of facilitating the movement of scholars to and from schools; c) need for a weigh bridge near Ceres; and d) need for a mini-bus taxi rank in Prince Alfred Hamlet.	Refer to comment above.
3.3	The SDF should provide sufficient information so as to guide the ITP drafting process and to shape how and where facilities / networks should occur in space.	Agreed. The town proposals will contain maps of new roads required and will be supported by GIS files as per the Witzenberg Roads Master Plan. Regional road proposals will also be aligned.
3.4	The Draft should attempt to map the location of existing education facilities, the scholar transport routes provided by Western Cape Education Department (WCED), the preferred location for a mini-bus taxi rank in Prince Alfred Hamlet, and the possible locations for a weigh bridge near Ceres.	Existing facilities are mapped in the Status Quo report. Scholar transport route maps have not been provided by WCED. Locations for taxi rank in PAH and weigh bridge in Ceres must be guided by WM Officials, but it is insinuated that these facilities should be allocated with the areas identified as "Settlement Business and Community Centre".
3.6	Table 36 notes that the Regional Socio-Economic Programme (RSEP) has assigned R3,478,000 for NMT and walkway upgrades. Once again, the spatial location of this investment should be guided by the SDF and included in the Draft.	RSEP Programme proposals have not been shared with BEP, and should be guided by the Precinct Plan to be developed for the PFA between Bella Vista, Ceres and Nduli. At the scale of the MSDF, the location of walkways has been defined as "Activity Routes".
3.7	These upgrades must also be fed into, and guided by, the ITP drafting process. Although the spatial location of these upgrades is yet to be finalised, the possibility that these upgrades are located adjacent to existing and/or planned education facilities should be investigated. As such, it may be necessary to bring the WCED into this discussion so as to	Noted – These matters are to be considered fully during the Precinct Planning process.

RESPONSE TO COMMENTS RECEIVED BY WESTERN CAPE GOVERNMENT DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING on the 5th of FEBRUARY 2020		
NR	**COMMENT**	**RESPONSE / ACTION**
	ensure that the scholar movements are accommodated if necessary.	
3.8	The RSEP Team has noted that the figure allocated to NMT upgrades in Table 36 is incorrect. It is advised that the drafters confirm this figure with the RSEP Team.	Feedback from RSEP Team confirms that the RSEP Programme is providing a total of R4 million for the NMT walkways in Ceres (this includes 15% VAT).
4.1 – 4.3	The 2012 SDF included 896ha of undeveloped but developable land within the urban edge. At the time, the need for including so much land within the urban edge was questioned. The Draft has adopted the urban edges included in the 2012 SDF. It would appear that these urban edges have been adopted without adequately testing their appropriateness and the implications of this move. Careful motivation of any alterations to the proposed edges in the Draft will be required.	Noted. Urban edge in Ceres has been tightened in strategic areas where development is not proposed for the foreseeable future. Urban edges have been adjusted to enable accommodating need responsibly. No significant urban edge changes are envisaged.
4.4	Appendix H lists all current major land development proposals in the municipality. The Appendix notes whether these proposals are private or public led, whether they have received planning approval or not, and the expected delivery date. Many of these proposals remain undeveloped with an unknown delivery date. Spatially representing these development proposals and their state of development would be helpful.	Noted. Shapefiles of these proposal locations are available but not seen as beneficial for including maps in the 2020 SDF as these proposals are outdated - per the 2012 Urban Edge / Growth management areas maps. The list does not include more recent applications or ones outside the urban edge. The SDF team previously attempted to map the spreadsheet of current land use applications but it was not possible to determine from the available information how much of a subject property was proposed for development. E.g. if a consent use was sought on a 300ha farm to build a single additional house it would be misleading to show the whole farm as a development application. The table has however been updated to show the most recent situation.
4.5	An initial investigation (Table 1), undertaken by representatives from the Department of Local Government Municipal Infrastructure Directorate, notes that at the current average cost of R165 000 per erf (engineering services and top structures), on average 195 housing units can be financed by the current state subsidies per year in terms of the MIG and HSDG allocations to the Witzenberg Municipality, noting that these are not necessarily confirmed budgets. Based on an average annual delivery of 195 units, the Municipality will be able to provide approximately 3,900 state subsidised houses by year 2040. In light of the above, the information presented in the Draft (refer to Table 53) is unrealistic. The Municipality will not be able to afford to deliver the dwelling units required by year 2028, in an eight-year timeframe. Given the foregoing, it would be useful for the Draft to consider a realistic understanding of expected delivery dates of State subsidised housing projects. This understanding should also be informed by the historic housing delivery rate achieved by the Municipality. Furthermore, the Draft should attempt to direct the delivery of housing projects by identifying where best to locate	Agreed. A discussion with Housing Manager was held to get clarity on delivery of housing and realistic budgets. Included in SDF considerations. See Appendix E. Housing programs have been updated to align with available funding.

RESPONSE TO COMMENTS RECEIVED BY WESTERN CAPE GOVERNMENT DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING on the 5th of FEBRUARY 2020		
NR	**COMMENT**	**RESPONSE / ACTION**
	the units the Municipality can afford, in a sequenced and coordinated manner vis-à- vis its infrastructure capacities and plans. This will assist other sector departments providing facilities to understand when and where additional facilities will be triggered.	
4.6	The existing infrastructure capacity and network of the municipality is not spatially reflected. A spatial reflection of the infrastructure needed to make the above mentioned land development proposals development ready is lacking. Part of the purpose of an MSDF is to determine the impact these proposed developments might have on the economy of the settlement and the viability of the municipality and how these proposed developments correlate with the MSDFs projections in terms of population growth, economic growth, housing demand etc.? The Draft, and the IDP, already note the massive capital budget required in order to make the Vredebes development 'development ready'. The Draft needs to unpack and spatially illustrate what infrastructure is required, and where, in order to activate these parcels of land. Obtaining this understanding is important in order to ensure appropriate decision making processes. This understanding should be garnered through the Capital Expenditure Framework as part of the SDF.	It is acknowledged that the information is not available as the municipality relies on consultants to assess infrastructure capacity for housing developments on a case-by-case basis. It is agreed that an in-depth analysis of infrastructure capacity constraints /opportunities is needed. Perhaps a stronger engineering input is required but this is something that could be motivated for inclusion in future versions of the SDF.
4.8	In addition to the 2012 urban edges, the Draft includes an additional section of land within the urban edge. The land is between Bella Vista and Ceres. The inclusion of this large tract of land is questioned particularly as the Draft has not adequately illustrated the demand / need for the other undeveloped portions of land. A land demand table such as is contained in the Annexure to the Draft, developed further to indicate actual available land vis-à-vis demand linked to household growth at particular time intervals, according to an assumed percentage of this population growth that will rely on State housing assistance, could assist in determining how much land is needed when and assist with the phasing of proposed developments, linked to available infrastructure. Given a ten-year timeframe for the MSDF, some land identified for development may be long term and may not need to be included in the MSDF at this point in time.	Noted – urban edges changed to longer term growth area. Urban edges have been adjusted to enable gradual change if and when needed.
4.9	It is not clear if the lifecycle costs of the infrastructure for the housing developments are understood vis a vis the municipal funding outlook. This would seem to go against Key Consideration 5 (maintain and expand opportunities of the municipality's settlements through improved efficiency in infrastructure provision and improved integration and compaction to enable better population thresholds) (page 43).	WM officials understand this issue fully and work together across functional areas in housing development. See updated CEF and Appendix E. Infrastructure due diligence is always done before the housing Department commit to a project.
4.10	It is not clear from the Draft if the floodplains have been considered when preparing the development proposals.	There is no floodplain information available.
5.2	The integration of Ceres, Bella Vista, and N'duli is identified in the Draft as the top priority for more detailed spatial planning. The Draft proposes that a package of plans approach be investigated along with the preparation of a more detailed	Agreed - Precinct Plan process confirmed. The matter is explained in the MSDF. We are also in the process of appointing someone to do a baseline study for the Ceres-Vredebes area.

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	precinct plan. It is assumed that part of the investigation will speak to setting up a meta urban structure to shape detailed planning and thereby ensure the structural linkages for integration are in place. The SDF must be clear on how the proposed inclusion of large tracts of land, particularly between Ceres and Bella Vista, will be developed in an orderly fashion. What is the financial strategy to develop this site and what will the economic impacts be on the Municipality, should this site be developed?	
5.3	While the recommendation for further detailed studies is supported, it is critical that one of these investigations illustrates the financial impact the resulting development proposals will have on the long term financial sustainability of the municipality, in terms of both CAPEX and OPEX. This information will assist the municipality to make informed decisions.	Where possible, the financial impact of development proposals regarding expected CAPEX cost implications are provided. The long term financial CAPEX and OPEX implications are not addressed as the detailed studies would be required to inform these cost implications. Historic information to facilitate projections re long term CAPEX and OPEX implications are not available for the professional team to make inferences.
5.5	Possible housing opportunities in Wolseley and Prince Albert Hamlet are identified as the second priority for more detailed spatial planning. The proposal that an additional 1200 housing units will be provided in Wolseley in the next 5 years needs to be investigated on the back of the housing units that are to be accommodated in Vredebes. This investigation needs to look closely at who requires housing in Wolseley e.g. is the housing demand driven by displaced farm workers or not and where are these potential housing recipients currently working (for those that are employed.)	The investigation of housing demand and employment does not form part of the scope of works for an SDF and should be guided by work done for the HSP. The SDF will include latest information of housing projects and priorities as received at recent meeting with Human Settlement officials. Changes have been made accordingly.
5.6	The third priority for more detailed spatial planning is a proposed housing area to the north of Tulbagh. Unfortunately, this statement was not accompanied by a map illustrating the location of this proposed development and as such it is difficult to formulate an appropriate response.	Priority area changed.
5.7	The 2012 SDF identified a large private sector driven housing development to the north of Tulbagh. As the Draft adopted the urban edges of the 2012 SDF, this area has been accommodated within the urban edge. Yet Figure 47 annotates this area as Peri-Urban Farming Opportunities. If the housing development is no longer going ahead then the municipality may wish to reconsider the delineation of the urban edge.	Map of the proposals have been included in SDF. Peri-Urban farming changed to settlement in accordance with current application concept framework. Current discussions with officials will determine the future of this application; however the SDF sets out key principles for the future development of this site in the context of Tulbagh.
5.8	Clarity on the above point will also influence the location of the proposed Priority Focus Area (PFA). At present, the PFA is situated to the north of the river and the town's current built edge. While Table 23 notes that this PFA aims to create a positive edge to the built development and the sensitive river edge, it is difficult to allocate this area a higher priority than the integration opportunities that exist between Tulbagh and Chris Hani. The MSDF should consider renaming Priority Focus Areas, to Policy Development areas, as by implication a focus area would be a priority.	PFA area has been changed based on discussions with planning official.

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5.9 – 5.10	Three PFAs are identified for Wolseley. As such, most of the settlement falls within a PFA. As noted above, the Draft notes the proposals to provide 1200 housing units in Wolseley. The implication these proposed units will have on the provision of social facilities and services needs to be investigated and unpacked. The Department of Health have indicated that they have plans for a new clinic in Wolseley but this has not been reflected in the Draft. A further discussion with DoH may be required in order to ensure that the proposed location of this clinic is appropriately designated.	New clinic proposal to be incorporated – WM officials will need to take discussions forward with WCG regarding social services and facilities per housing development. Officials of WM understand the implications of housing development in relation to social facilities.
5.11	It is important to note that Pine Valley is located on an important Critical Biodiversity Area (CBA) wetland and water course and as such no future expansion should be permitted.	Noted - This issue is clearly understood by WM officials.
5.12	The proposed PFA in Prince Alfred Hamlet includes mixed-use development and social housing (Table 24). It needs to be noted that social housing can only be accommodate in areas proclaimed by the Social Housing Regulatory Authority as a "Restructuring Zone". Furthermore, social housing can only work if it is done at scale and the demand for it is present. The identification of Prince Alfred Hamlet as a possible social housing area therefore, requires further careful consideration.	Noted - This is understood. However, the procedural matter does not mean that the appropriateness of the land for social housing should not be noted.
6.1	The Draft notes the importance of restricting development above a specific slope gradient yet, it is unclear if slope was a key informant in designating the development proposals. This may be a key consideration in Op die Berg and Wolseley.	Noted – Lack of access to slope gradient GIS data. Gradient development parameters will be added to town proposals.
6.2 – 6.3	Cape Winelands District SDF notes the important role the Witzenberg Mountains play in feeding the water supply network of the province. In light of this, the uphill creep of agricultural activities is a concern as this interferes with the natural absorptive function of these slopes. This can increase the risk of flooding downstream but can also result in increased runoff of nutrient rich top soil and agricultural by-products. This can lead to further depletion of the carrying capacity of the land and also pollute the downstream river system. Uphill agricultural creep can also eat into key biodiversity assets. As such, agricultural uphill creep should be included under Section 3.5.2 Key Findings and Implications.	Text on agricultural uphill creep will be included under Section 3.5.2 Key Findings and Implications.
6.4	CapeNature is initiating talks with Witzenberg Municipality to secure a portion of municipal owned land to close a gap between two proclaimed nature reserves. While these talks are still in their infancy, it is recommended that a follow up discussion is held with CapeNature to ensure that this aspect is included in the Draft appropriately.	Due to time constraints, this might not be possible but communicating will be initiated. Response from Alana: *"CN was hoping to engage with SDF regarding drawing up a Protected Area Management Plan (PAMP) for the reserve so that it can be managed in a complimentary way with our properties making up the HexRiver complex. For the purpose of the SDF just include something about drawing up a PAMP and as part of this confirming that the reserve has the necessary proclamation."* See amendment on Page 34.
7.1	The SDFs of neighbouring municipalities are not reflected in the Draft. While the Draft refers to the Provincial SDF, the Greater Cape Metro Regional Spatial Implementation	Noted. This is unpacked in Section 2.2.

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	Framework (RSIF), and the Cape Winelands District SDF, it must be noted that Witzenberg Municipal lies on the northern edge of the Western Cape Province and boarders with municipalities in the Northern Cape. Providing an indication of how the Draft links into the SDFs of the neighbouring municipalities will highlight key cross-regional linkages and identify possible regional opportunities.	
7.2	During previous meetings with the municipality, it was noted that a developer had been in discussions with municipal officials over the possible development of a regional shopping mall in Ceres. The Draft does not refer to this proposal. It is unclear if this proposal is going ahead or not. Regardless of whether or not this particular shopping centre is going ahead, the MSDF needs to provide guidance on factors to consider around the location of shopping centres for the future.	Mall proposal rejected by council. The MSDF includes guidelines on future commercial development.
7.3	Identifying and securing land for cemeteries is an on-going issue in many municipalities. Table 14: Municipal-wide Infrastructure includes cemeteries however this item is not completed. It is recommended that some attempt to quantify the need is made and that possible locations be identified. It is accepted that identifying the ideal location for cemeteries is a highly specialised skill and falls beyond the scope of this report, however quantifying the demand may be an important step.	Noted. A statement on the condition of current cemeteries and plans for enhancement has been included.
7.4	The Draft should clearly articulate the land required for any additional social facilities needed to accommodate the development proposals, particularly the ones originating from the housing plan and pipeline (Appendix E). Quantifying the need, and identifying the preferred locations, will assist the planning of the Western Cape Government (WCG).	The municipality applies recognized space standards (such as the CSRI guidelines) to new developments. This was specifically done for Vredebes and any other development that would requires social facilities.
7.5	In terms of section 21(i) of SPLUMA, an SDF must identify designated areas where a national or provincial inclusionary housing policy may be applicable. This is not reflected in the Draft.	Inputs from WCG: This will require "*enabling alternative forms of tenure security, unlocking private land assets that are suitable for development and serving the livelihood needs of the community; planning for neighborhood development; and providing emergency and basic services. The overall aim is to support incremental and affordable housing opportunities for people living in informal settlements."* NUSP document provides a more step-by-step breakdown of the incremental housing process as well as some practical examples.
7.6	The Draft notes that Wolseley is the receiving facility for solid waste from Ceres, Bela Vista, Nduli and Tulbagh. This is incorrect, as the Wolseley waste diversion facility is closed. The SDF should be amended accordingly. Furthermore, the SDF should reflect the necessary expansion of the Tulbagh waste diversion facility.	We have subsequently provided the consultant with the correct information.
8.1	The Priority Focus Areas are not pulled through into the CEF. As such, the CEF is not disaggregated to the level of the PFA. The PFAs should guide the CEF chapter – rework chapter text and structure to start with PFA as priorities. PFAs are separated per town, with cognizance given to the overarching	PFAs have been separated per town, with cognizance given to the overarching infrastructure requirements to activate the PFA and the infrastructure requirements within the PFA.

RESPONSE TO COMMENTS RECEIVED BY WESTERN CAPE GOVERNMENT DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING on the 5th of FEBRUARY 2020		
NR	**COMMENT**	**RESPONSE / ACTION**
	infrastructure requirements to activate the PFA.	
8.2	Ideally, the CEF should identify what investments are required in order to activate each of the PFAs for development and within what time period. In order to undertake this exercise, infrastructure and financial information is required at the PFA level.	This comment has been addressed through a table that unpacks each PFA in terms of required investments, timeframes, and infrastructure requirements.
8.3	Dividing the infrastructure information into categories will contribute to a broader understanding of the overall situation. Potential categories are listed below. Every attempt should be made to spatially reflect (in broad terms) this exercise. • New infrastructure or upgrading of existing infrastructure. • Type of infrastructure (water / sewage / roads / electricity).	This is incorporated into the municipal budget and the PFA projects.
8.4	Currently, the settlement SDF maps annotate the PFA as "… is/are required". In carrying out the investigations necessary to complete the CEF, the decision-making process should have been carried out as such the map annotation should reflect the decision taken.	The terminology has been amended to reflect the intent of the Municipality to implement the PFAs.
8.5	The financial component of the Draft CEF relies heavily on the current budget with limited to no indication of the longer-term financial position of the municipality. The CEF should strive to include a 5-10 year understanding of the municipality's income and expenditure streams. Such an exercise will begin to illustrate if, and in turn when, the municipality will reduce its dependence on grants.	The financial component unpacks future expenditure plans and priorities and relates this to what is required for PFAs and the envisaged timeframes associated thereto.
8.6 – 8.7	It is further recommended that the CEF identifies whether or not each project is reflected on the IDP MTREF Budget. It is, however, acknowledged that Witzenberg Municipality has requested assistance with the compilation of the CEF as part of the MSDF. In order to assist this process, it is important that the Strategies and Proposals section of the SDF contain information which can be used in the Capital Expenditure Framework section of the SDF.	This has been addressed, with the existing and new budget items reflected alongside the projects. Given prioritization and identification of project period (timeframe), certain PFA related items could be addressed in short term budget adjustments or securing of external funding. Other larger infrastructure items are largely for implementation post MTEF Period.

NR	**COMMENT**	**RESPONSE / ACTION**
CAPE NATURE – 6 Feb 2020		
1	The SDF should contain definitions of CBAs, ESAs and other important biodiversity features and link this to the importance of protecting ecological infrastructure. These definitions are provided in the WCBSP 2017 Handbook.	See section 5.2
2	Table 4.4 on page 84 of the WCBSP Handbook should be included in the SDF before Table 4 on page 53 of the Witzenberg SDF.	Noted.
3	A map should be provided showing the WCBSP categories for the Witzenberg Municipality and surrounding municipalities.	Noted.
4	A distinction needs to be made between Open Space that is intended for recreation versus those that will be conservation areas. Open space corridors and areas which will be managed for conservation must be clearly indicated on the SDF for each town.	Noted. See definitions table added to page 72.

NR	COMMENT	RESPONSE / ACTION
	They need to be labelled differently from the CBA and ESA layers which are the informant behind prioritising which areas need to be conserved.	
5	Operational Expenditure has not been indicated. Has consideration been given to conservation operational costs?	Noted. See updated CEF section.
6	Flood lines and management guidelines associated therewith is a key biodiversity and disaster risk informant. These should be clearly indicated in the SDF.	Information is not available.
7	More consideration should be given to water sources alternatives. Current groundwater use and potential future use should also be considered and mapped if possible.	Noted for future work of PFAs and precinct planning.
8	Page 34, Section 3.5.2, Point 1: It should be noted that biodiversity and habitat loss is not only occurring in the lowland areas. There has been an increasing upward expansion of orchards onto the higher slopes (particularly in the Ceres area) in an attempt to escape the frost found in the lower lying areas. This upward expansion poses a risk to Critical Biodiversity Areas (especially seepage areas and loamy areas supporting highly endemic plant and animal species) and Mountain Catchment Areas which will detriment water supply to landowners farther down the catchment. It may also increase the risk of erosion. Further upslope expansion should be strongly discouraged.	Agreed.
9	Page 44, Section 4.2.1: We suggest renaming the title "Nature" to "Natural Area" and/or "Biodiversity". Please provide clarity on what is meant by providing "active support for stewardship programmes..." CapeNature would very much like to work closely with the municipality as the municipality owns substantial land adjacent to the provincial nature reserves. The Hex River Complex consists of Bokkerivier Nature Reserve, Ben Etive Nature Reserve, Fonteintjiesberg Nature Reserve, Wittebrug Nature Reserve and Witzenberg Nature Reserve. Ideally, an ecological corridor between these nature reserves should be created and managed for conservation.	Agreed.
10	Page 44, Figure 33: Please create a clear legend for this map. It would also be useful to label the formal protected areas (provincial and municipal nature reserves).	This map is conceptual and the layers are indicated in the Figure description.
11	Page 47, Section 4.2.4, Point 5: The use of overlay zones should also be encouraged to protect important biodiversity areas.	Agreed.
12	Page 63, Table 14: The cemeteries section of the table is incomplete. We have observed an increase in demand for cemetery space in the Cape Winelands over the last few years. These must be planned for as they often have an impact on biodiversity and agricultural land as they can no longer be placed within urban areas. Potential groundwater contamination must also be considered.	Agreed. Subject to a separate study.
13	Page 64, last paragraph: The SDF states that applications for renewable energy projects or development outside of the REDZ boundary will not be considered or allowed. Whilst CapeNature supports this to some degree with regard to large scale renewable energy development, how does the municipality proposed to enforce this?	The MSDF has to comply to the provisions for REDZs. See Page 65 rephrased.
14	Page 72, Ceres Development Framework: The urban edge has not undergone revision between 2012 and 2019. The southern-most	Urban edge adjusted.

NR	COMMENT	RESPONSE / ACTION
	edge is not supported as in encroaches into a the Matroosberg Mountain Catchment Area (MCA). CapeNature will not support urban development or any other development that may impact on the water quality or production within MCAs. Previously disturbed areas within MCAs should be rehabilitated. This part of the urban edge must be adjusted northwards. In addition a buffer along both sides of the Koekedou River should be allowed for.	
15	Page 75, Wolseley Development Framework, Kluitjieskraal Urban Edge: The urban edge should be moved north and no further development should be allowed southwards. Already development has encroached into a floodplain wetland determined as an Aquatic Critical Biodiversity Area. This is not only detrimental for biodiversity and ecosystem services but also places people at risk.	Noted and adjusted.
RUAN FOURIE RENEWABLE ENERGIES – 16 MARCH 2020		
1	Considering the rationale behind the REDZ's, one can clearly agree that the REDZ's do not by any means indicate that renewable energy developments are only allowed within these zones/corridors. Hence, the draft Witzenberg Municipal Spatial Development Framework should be amended to accommodate renewable energy developments which falls outside the REDZ's/corridors, that will be assessed on a project (site) specific level for decision making. All projects outside any Renewable Energy Development Zones (REDZs), must be judged on merit and not be discriminated against.	The MSDF has to comply to the provisions for REDZs. See Page 65 rephrased.
SAWEA ENVIRONMENTAL WORKING GROUP – 27 MARCH 2020		
1	It is with regret that the SAWEA EWG wishes to emphasise that we cannot support the directive of the DRAFT Witzenberg MSDF in its current form where it restricts the development of RE to the REDZ's. It is the opinion of the EWG that this inclusion in the MSDF not only restricts development beyond the original intensions, but also does not align with the directives of SPLUMA. The Draft Witzenberg Municipality Spatial Development Framework is too rigid and does not allow for the possibility of renewable energy developments outside the REDZ's. We propose that the relevant section of the Draft Witzenberg Municipality Spatial Development Framework, under Chapter 5: Plans and Settlement Proposals, Section 7.5.1.1 (Renewable Energy Development Corridors), Page 63, be rephrased as follows: ***"The Council for Scientific and Industrial Research (CSIR) identified eight geographic REDZ's following a Strategic Environmental Assessment. The Witzenberg Municipality forms part of the Komsberg REDZ. Any projects or renewable energy developments in the municipal area should preferably be located inside of this boundary (shown in Figure 41), however, proposals for renewable energy developments outside of this boundary will be considered on a case by case basis based on its own merits"***	The MSDF has to comply to the provisions for REDZs. See Page 65 rephrased.
ANTON LOTZ – 30 JANUARY 2020		
1	In Figures 46 and 47 the Tulbagh Development Framework should, in addition to the urban edge take into consideration the Feb 2018 - approved Waverenskroon development concept	Noted and amended.
2	Table 23 should include the entire Waverenskroon project as a Priority Focus area, particularly given that this is a private-sector project that will provide a range of housing opportunities and	The intention of Priority Focus Areas is to direct resources to areas that need regeneration. It is not relevant to a private development.

NR	COMMENT	RESPONSE / ACTION
	carefully designed mixed-use development to the benefit of the Tulbagh community.	
3	We request a minor change to the urban edge on the eastern boundary of the Waverenskroon Estate (**as per plan attached**) – security is a critical aspect of new development and with the intention of protecting the renosterveld section of the site, an activated development edge to the east thereof will provide an important secure edge to the entire development.	Not justified based on current development concept already approved by the municipality.
4	We request a minor change to the urban edge on the northern side of the Waverenskroon Estate (**as per plan attached**) – the 2012 urban edge included the joint municipal-developer storage dam. An engineering team is currently finalising the dam design for implementation and the expanded capacity affects the design. This also has an impact on the location of the proposed hotel. The proposed amendment is required to accommodate the changed effected by the final dam design.	Agreed and will amend.

D OUTCOME

The SDF is a core component (section 26(e) of the Municipal Systems Act) of the formally adopted IDP and the municipality in essence approve the SDF through adoption of the IDP via a council resolution.

The process that started in July 2019 to re-draft the SDF has culminated in a final draft SDF document taking into account all representations received. The final SDF document is attached as an **Annexure**.

E RECOMMENDATION

In consideration of the above mentioned it is recommend to Council:

That the Council approve and adopt the Witzenberg Spatial Development Framework prepared by Built Environment Partnership in terms of section 20 of the Spatial Planning and Land Use Management Act, 2013 and section 5(1)(a) of the Witzenberg Land Use Planning By-Law, 2015.

COVID-19 WORKPLACE POLICY, WITZENBERG MUNICIPALITY

Human Resources

This Policy provides guidelines for the management of the workplace in the COVID-19 period until an approved vaccine or treatment is available and available to all members of the public and employees of the Municipality as directed by the Minister of Health or other Governmental directive. Personal workplace behaviours need to be adjusted and implemented until such time as the COVID-19 pandemic is considered under control and manageable.

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SUMMARY

This Policy provides guidelines for the management of the workplace in the COVID-19 period until an approved vaccine or treatment is available and available to all members of the public and employees of the Municipality as directed by the Minister of Health or other Governmental directive. Personal workplace behaviours need to be adjusted and implemented until such time as the COVID-19 pandemic is considered under control and manageable. This policy will remain in place and will be amended from time to time as directives from the Department of Health and/or Department of Labour directs otherwise, at which time this policy will be reviewed, in consultation with organised labour under the auspices of the Local Labour Forum.

THE ROLE OF THE HUMAN RESOURCES DEPARTMENT

- To ensure that the Policy is kept up to date in accordance with directives from the Department of Health or the Department of Labour, or any Collective Agreements.
- To ensure the distribution of Personal Protective Equipment through the line Departments to employees.
- To ensure that line management implements the requirements outlined in this policy.
- To report on all COVID-19 related health and safety matters to the Portfolio Committee on a monthly basis.

THE ROLE OF THE MANAGER

- To monitor and review the provisions of this policy and to ensure compliance.
- To actively encourage and motivate staff to adjust to the new working environment and social distancing requirements.
- To ensure that any remedial action, when applicable is taken timeously.
- To manage and report compliance and to provide active advice to senior leadership of improved work methods to facilitate new workplace requirements.
- To actively lead and play the role of change agents in this transition to new workplace "rules"

1. PREAMBLE

It is now common knowledge that the workplace environment must change in order to safeguard employees and members of the public from exposure to and possible infection of the COVID-19 virus.

The World Health Organisation and the National Department of Health and Provincial Departments of Health will, in the coming months and years, provide guidance regarding key preventative measures for safe social and workplace interactions.

All the prevention and protection measures listed in this policy is subject to the successful procurement of the respective items. It is noted that the worldwide limit of PPE stock is impacting on the national provision of PPE items.

It is also noted that National Treasury have centralised the procurement of PPE in order to ensure that critical PPE stock reach Very-High risk and High-risk frontline healthcare workers in geographic areas where the pandemic requires urgent intervention.

Should any PPE item listed in this policy not be available to a staff member, an individual assessment will be done in conjunction with the Director of the affected Directorate.

There are key recommendations and protocols that are already known and recommended, such as social distancing; handwashing hygiene; wearing masks; additional protective equipment and clothing; and sanitising protocols. These measures are outlined in the policy sections below.

2. PREVENTATIVE MEASURES

2.1. SOCIAL DISTANCING

Social distancing protocols are the most effective deterrent to combat the spread of the virus.

2.1.2. Proximity to others

The following measures are to be implemented at the workplace.

2.1.2.1. Offices

There should at least be 1, 5 metres distance between people when interacting with each other. This must be the case at the workplace as well where possible. For office bound employees this will be easier to achieve as most employees operate from their own workstation where there is at minimum a 1, 5 metres distance between workstations. When approaching an employee in that employees' workspace the person entering the workspace must remain at least 1, 5 to two metres from the employee. There must be a marker that indicates where the person should not proceed beyond.

2.1.2.2. Meeting rooms

In boardrooms the person sitting at a chair at the boardroom table is considered a workstation and the 1, 5 metres distance must be maintained. All boardrooms must have paper towels and at least one sanitiser dispenser.

2.1.2.3. Operational Working Teams

When employees gather for work in the mornings and afternoons, they must maintain the 1, 5 metres distance from each other. When the work-teams split up into their respective work-teams they may not be able to maintain the required 1, 5 metre distancing as they perform functions that are by its nature not individual but require teamwork, where they often must work closely together. This cannot be avoided.

2.1.3. Handshaking

Handshaking in the tradition way is for the immediate future not permitted at the workplace. Employees may, if deemed essential use the elbow technique, although for the current stage of the pandemic, this is also not encouraged as it violates the 1, 5 metres distancing requirement. A mere verbal acknowledgement should be encouraged.

2.1.4. Hugging

Hugging others, like handshaking is a natural and very instinctive human instinct. This cannot be allowed at the workplace for the immediate period. Employees are not to hug other employees or members of the public at the workplace.

2.1.5. Seating arrangements

All seating arrangements for meetings must comply with the 1, 5 metres distancing requirement. This applies to halls, meetings, training settings, etc. A seat must be regarded as a workstation. At any event other than a meeting in an office, there must be paper towels available and at least one hand-sanitiser dispenser.

2.2. <u>HANDWASHING</u>

Regular handwashing remains a key factor in keeping the virus from spreading. The recommended time and method of handwashing must be followed.

2.2.2. Handling Documents

For employees handling high volumes of documents they must be encouraged and given the opportunity to regularly wash their hands.

2.2.3. Working with tools

Employees working with tools that are shared should ensure that they regularly wash their hands. Every Employee will be supplied with a checklist to follow to clean the tools and be monitored by their seniors for compliance.

2.3. WEARING OF MASKS

Masks must be made available to all employees.

2.3.2. Common Areas

It is highly recommended that all employees wear masks as per the specifications by the WHO and the Department of Health. There are common areas at work, such as corridors, toilet facilities, boardrooms, etc. It is required that employees wear masks in these common areas.

2.3.3. Personal Workstation

Once an employee is in her/his private workstation, then the mask remains required. All persons entering the workstation must wear a mask. There is a responsibility upon the owner of the workstation to manage interaction in the workstation.

2.3.4. Employees in the field

Employees that work “outside”, must always wear masks, especially when interacting with members of the public.

2.3.5. At-Risk employees

There are employees who are more vulnerable to exposure to the virus than other employees. These employees must always be supplied with and wear masks.

3. ADDITIONAL PROTECTIVE CLOTHING AND EQUIPMENT

3.1.2. High Risk Employees

(Employees with high frequency engagements with other persons or with substance that poses potential contamination particles)

Employees identified as “High Risk” employees must be issued with relevant PPE such as prescribed by Department of Health Guidelines and assessed by Manager and Director of the said Directorate.

PPE for the relevant Directorates which have High Risks activities such as intimate contact, making arrests and other such intimate activities with substance or contaminated water, such PPE must be made available for the use thereof as and when required.

All employees in this category must report the high risk activity anticipated and the relevant PPE for such high risk activity must be worn.

3.1.2.1. Protective Overalls

Sanitation employees must wear additional protective gowns or coats.

3.1.2.2. Temperature Checks

All staff must be checked prior to the start of the workday with a temperature checking device to ascertain whether she/he is within the normal body temperature range before assuming duty.

3.1.3. Office-bound and other employees

Office-bound employees that has not been categories as high risk that work with high-volume documentation and/or money may choose at own cost to wear protective clothing such as an apron and/or gloves.

4. SANITISING PROTOCOLS

4.1.2. Tools and Equipment

Tools and equipment used will be cleaned as per the checklist and with a recommended disinfectant as approved by Senior Management.

4.1.3. Vehicles

All municipal vehicles must be issued with a sanitiser dispenser and a disinfectant cloth. Prior to handing the vehicle over to another user the current user must wipe the steering wheel and other areas with the disinfectant cloth. Prior to the new user driving the vehicle she/he must apply sanitiser to her/his hands and wipe the steering wheel and gear-lever, etc. with the disinfectant cloth.

4.1.4. Hands

Prior to entering a workplace each employee and visitor is required to apply sanitiser to her/his hands.

4.1.5. Document handling

Recycling of envelopes must be stopped until advised otherwise. Envelopes must be disposed after single use. Employees are encouraged to use hand sanitiser regularly.

4.1.6. Office equipment

4.1.6.1. Photo-copy machines

All office equipment must be wiped clean with a disinfectant cloth regularly, preferably after each use by the person last using it. A disinfectant wipe/cloth must be made available at each office machine such as photo-copying machines.

4.1.6.2. Computers

Where computers are shared a disinfectant wipe must be available for the user to wipe the keyboard prior to use and again after use. Employees are encouraged not to share their computers with others and always keep their keyboards clean.

4.1.6.3. Telephones

Employees are responsible for the regular cleaning and disinfecting of their office telephones.

4.1.6.4. Door handles and floors

Where possible and where there is no security or confidentiality risks, doors should remain open. The cleaning staff will increase their efforts to regularly disinfect door handles and floors.

4.1.6.5. Personal Workspace

Each employee is responsible for keeping her/his own workspace clean, disinfected and tidy. Each employee is also the master of his own workspace and can determine what protective measures other employees must adhere to prior to entering her/his workspace - within reason.

5. A POSITIVE CIVID19 TEST IN AN EMPLOYEE

On receiving their results the employee and/or health professional supporting the employee (the employee in the main) must notify their workplace manager or Human Resources Manager so that the employee is managed accordingly. The workplace should where possible proactively take steps to obtain this information to avoid any delays in reporting as recommended by Health Guidelines of Department of Health for Covid19.

All employees on returning to work after isolation or quarantine period, should follow general work restrictions that include:

1. Undergo medical evaluation to confirm that they are fit to work.
2. They must report to the HR Office for appropriate welcoming by the HR Manager and further assistance and induction on new rules that could have been implemented for Covid19 whilst the employee was away from work.
3. Wearing of surgical masks at all times while at work.
4. implement social distancing measures as appropriate (in the case of health workers avoiding contact with severely immunocompromised patients)
5. adherence to hand hygiene, respiratory hygiene, and cough etiquette

Continued self-monitoring for symptoms, and seek medical re-evaluation if respiratory symptoms recur or worsen.

6. Officials who have family members staying with them on the same premises that have tested positive for Covid19 must inform the manager responsible for Disaster Management or their own Manager and they must not come to work unless advised to do so .
7. The Manager responsible for Disaster Management seek advice from Department of Health and advice the Employer

6. PROTOL FOR DISINFECTION OF OFFICES IF THERE IS A POSITIVE TEST OUTCOME OF AN EMPLOYEE

The person who has tested positive must provide a list of names of persons s/he came into direct contact to the Senior Manager.

The list must include direct contacts going back to 3 days for the date of test.

The Manager must then inform the Director and Accounting Officer, the Disaster Manager to direct the listed persons to self-isolate or **not** to self-isolate as prescribed by the Department of Health.

The names of the persons affected must not be disclosed without following all the relevant legislation with regard to disclosures of positive and contact cases of personnel.

The offices where the positive case or cases of personnel were reported must be immediately closed if the direct contact who tested positive was on those premises.

The Disaster Manager must inform the De- Sanitizing Responsible Department for De -Sanitisation to be done in the premises or building.

The Communication Department, HR department must inform other office users and public where necessary of the closure of offices.

The Offices must be opened after 48hours to allow the Disinfection process and not to compromise sensitive employees to same Disinfection reactions.

7. RECOMMENDATIONS

It is recommended:

2.1. That this COVID Policy be approved and applied to all employees and political office-bearers;

2.2. That the preventative measures in this policy be communicated to all staff and that Directors ensure that these measures are adhered to as far as practically possible;

2.3. That Council delegates the Accounting Officer to do the necessary amendments to this policy if and when the regulations on Covid19 are updated or new regulations are promulgated.

Recommended approved by the Municipal Council on Day …… Month …….. 2020

SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
SALGA
Inspiring service delivery

CIRCULAR 18 / 2020

FROM : CHIEF EXECUTIVE OFFICER

TO : EXECUTIVE MAYORS / MAYORS
SPEAKERS
SALGA PROVINCIAL CHAIRPERSONS
SALGA NATIONAL EXECUTIVE COMMITTEE
CITY/MUNICIPAL MANAGERS

DATE : 11 MAY 2020

GENERIC RULES FOR VIRTUAL MEETINGS OR SITTINGS

The Minister for Cooperative Governance and Traditional Affairs, Hon. Nkosazana Dlamini Zuma published the amended Directions on Municipal Operations and Governance, in terms of Section 27(2) of the Disaster Management Act, 2002, which takes effect from today, 7 May 2020. A copy of the amended directions are attached hereto as Annexure "A".

In terms of the amended directions, all meetings of Council and Council Committees must be done using media platforms such as video and teleconferencing. In order to ensure uniformity and regulate the virtual meetings of Council and Committees of Council, and without having to amend the Rules and Orders of Municipal Councils, SALGA has developed generic Rules for Virtual Meetings or Sittings. Municipal Council are invited to consider, customise and adopt the Rules for Virtual Meetings and Sittings, which will be read and applied in conjunction with the Rules and Orders of Municipal Councils. A copy of the generic Rules for Virtual Meetings or Sittings are attached hereto marked Annexure "B".

Our attention has also been drawn to some municipalities not having access to IT platforms for video conference. Following interactions with the State Information Technology Agency, the following solutions are currently available for immediate use:-

1. CISCO Webex – A collaboration tool that enables the hosting of video based meetings.
    - *The following steps must be followed to access the System*

Tel: 012 369 8000 | **Fax:** 012 369 8001
PHYSICAL: Block B, Menlyn Corporate Park,175 Corobay Ave, Waterkloof Glen Ext 11, Pretoria 0181
POSTAL: PO Box 2094, Pretoria 0001
www.salga.org.za

- ✓ *Register through the link https://cart.webex.com/sign-up-dg/*
- ✓ *Once you are on the sign up page enter email address and click Sign Up*
- ✓ *Wait for an email confirming registration which in generally quick but could take up to 24 hours due to sign-up volumes*
- ✓ *Once received simply follow the instructions.*

2. Jitsi – A SITA hosted open source collaboration tool that enables the hosting of video based meetings. This platform is unfortunately for smaller groups up to 30 connections.
   - *The following steps must be followed to access the system*
     - ✓ *Download the user guide that will guide you to access and use the solution http://www.osis.gov.za/jitsi/jitsi-guide.php*

To support your endeavours, we will also make available our SALGA support expertise, including IT related support for virtual meetings, and any queries may be directed to Mr Lance Joel at SALGA National Office per email ljoel@salga.org.za or cell: 0829083335.

Yours faithfully,

_____

XOLILE GEORGE
CHIEF EXECUTIVE OFFICER

Government Gazette
Staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

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AIDS HELPLINE: 0800-0123-22 Prevention is the cure

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DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 510 **07 MAY 2020**

DISASTER MANAGEMENT ACT, 2002

AMENDMENT OF DIRECTIONS ISSUED IN TERMS OF SECTION 27(2) OF THE DISASTER MANAGEMENT ACT, 2002 (ACT NO. 57 OF 2002)

I, Dr Nkosazana Dlamini Zuma, the Minister of Cooperative Governance and Traditional Affairs, hereby, in terms of section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002), issue the directions in the schedule hereto, to address, prevent and combat the spread of COVID-19 in South Africa.

NC Zuma

DR NKOSAZANA DLAMINI ZUMA, MP
MINISTER OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
DATE: 06. 05. 2020

SCHEDULE

Definitions

1. In these directions, "the Directions" means the directions published by Government Notice No. 399 of 25 March 2020, as amended by Government Notice No. 432 of 30 March 2020.

Amendment of the Directions

2. Direction 6.7 of the Directions is hereby amended, by the substitution with the following Direction:

"6.7. Municipal operations and governance

6.7.1 Municipalities and municipal entities are required to perform various legislated functions, including the adoption of integrated development plans (IDPs) and operations relating to municipal services and revenue collection.

6.7.2 When performing any essential municipal services, as permitted under Regulations published in Government Gazette No. 43258 of 29 April 2020, municipalities and municipal entities must ensure that there is strict adherence to all COVID-19 public health and containment prescripts, especially those relating to gatherings, physical distancing, health and safety.

6.7.3 All meetings of council, tribunals and entities, must be done using media platforms, such as teleconferencing and videoconferencing.

6.7.4 Furthermore, municipalities and municipal entities are directed to:

(a) Convene meetings of council and committees of council to consider:
   (i) any council-related business, including the adoption of IDPs; and
   (ii) matters relating to the provision of critical municipal services such as roads and storm water, electricity, municipal health services, municipal environmental services, and waste management services.

(b) Ensure that the communities are consulted using media platforms and alternative methods of consultation, instead of contact meetings, to provide comments on the draft IDP and Budget.

(c) Ensure that meetings of Development Tribunal and other structures performing similar quasi-judicial functions are held, only where necessary.

(d) Operate the following revenue generating services:

(i) payment for licenses;

(ii) issuing of licenses of vehicles, renewal of drivers' licenses and roadworthy certificates;

(iii) municipal trading services, such as water and electricity, property rates, refuse removal, rental payments;

(iv) issuing of clearance certificates; and

(v) meter reading.

(e) Undertake emergency procurement within the framework of the Disaster Management Act, 2002, all applicable COVID-19 Regulations, and the National Treasury Instruction No. 05 of 2020/21.

(f) Report all procurement undertaken during the period of the national state of disaster to the first council meeting after the lapsing or the termination of the state of disaster."

3. Commencement date

These directions will come into effect on the date of publication.

RULES OF VIRTUAL MEETINGS AND SITTINGS

1. GENERAL

1.1 These rules are supplementary to and must be read in conjunction with the Rules of Order / Rules and Orders / Standing Orders for Council.

1.2 For the purposes of these Rules, "virtual meetings or sittings" mean meetings or sittings conducted by any form of technology.

1.3 These Rules shall remain in force for the period of the National State of Disaster and may be extended beyond this period by the Municipal Council.

1.4 These Rules shall be referred to as Rules of Virtual Meetings and Sittings.

2. APPLICATION OF THE RULES

2.1 These Rules apply to virtual –

(a) meetings or sittings of the Municipal Council; and

(b) meetings of the Committees of Council.

3. NOTICE AND DOCUMENTS

3.1 All meetings of Council or Committees of Council shall be in accordance with the Notice of Meetings as prescribed by the Rules of Order for Council.

3.2 All documents relating to Council and Committee meetings shall be distributed by any electronic means to which Councillors have access.

4. QUORUM

4.1 The quorum requirements for Council and Committee meetings shall be a majority of the Councillors, present at the meeting.

5. DECISIONS AND VOTING

5.1 The decision-making requirements for Council and Committee meetings shall be a majority of the Councillors to be present at the meeting before a vote may be taken on any matter.

5.2 Decisions shall be taken by a majority of the votes cast by the Councillors present in the meeting, in the case of an equal number of votes, the presiding councillor shall have a casting vote.

5.3 In a Council or Committee meeting councillors shall be entitled to cast their votes either electronically or by voice.

DRAFT

5.4 For the purposes of voting the Municipal or City Manager of the Council shall maintain a system that is capable of verifying the votes of delegates cast either electronically or by voice.

6. MINUTES AND RECORDS

6.1 The Municipal / City Manager must maintain the minutes and records of the proceedings.

6.2 The minutes referred to in 6.1 above shall constitute the records of that Council or Committee meeting.

6.3 The correctness of the minutes of the Council or Committee meeting must be considered at its next meeting, failing which, at the following meeting.

7. HOUSEKEEPING

7.1 During video meetings Councillors must:-

(a) make use of the video function;

(b) Mute the mic when not speaking;

(c) Use the chat to raise a hand to engage in the dialogue; and

(d) Wait for the chairperson of the meeting to be called upon to speak or unmute the mic.

8. POWERS, PRIVILEGES AND IMMUNITIES

8.1 Councillors have the same powers, privileges and immunities which they ordinarily enjoy in Council and Committee proceedings.

9. FACILITATION OF PUBLIC INVOLVEMENT

9.1 Subject to section 160(7) of the Constitution and the Rules of Orders, Council and /or Committees must facilitate public involvement on matters before it, by electronic means.

DRAFT